

4-8-2015

Union Bank, N.A. v. North Idaho Resorts Clerk's Record v. 10 Dckt. 42467

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IN THE SUPREME COURT OF THE STATE OF IDAHO
SUPREME COURT NO. 42467-2014
BONNER COUNTY CV2011-0135

UNION BANK, N.A., a national banking association,
Plaintiff-Respondent,

v.

NORTH IDAHO RESORTS, LLC, an Idaho limited liability company
Defendant-Appellant,

and

PEND OREILLE BONNER DEVELOPMENT, LLC, a Nevada limited liability company, JV, L.L.C. an Idaho limited liability company, DAN JACOBSON, an individual, SAGE HOLDINGS LLC, an Idaho limited liability company, TIMBERLINE INVESTMENTS, LLC, an Idaho limited liability company, STEVEN G. LAZAR, an individual, AMY KORENGUT, an individual, HLT REAL ESTATE LLC, PANHANDLE STATE BANK, an Idaho corporation, R.E. LOANS, LLC, a California limited liability company, WELLS FARGO CAPITAL FINANCE, LLC, a Delaware limited liability company, PEND OREILLE BONNER DEVELOPMENT HOLDINGS, INC., a Nevada corporation, PENSICO TRUST CO. custodian f/b/a Barney Ng, a California corporation, B-K LIGHTING, INC., a California corporation, FREDERICK J. GRANT, an individual, CHRISTINE GRANT, an individual, RUSS CAPITAL GROUP, LLC, an Arizona Limited liability company, JOSEPH DUSSICH, an individual, MOUNTAIN WEST BANK, an Idaho corporation, STATE OF IDAHO, DEPARTMENT OF REVENUE AND TAXATION, MONTAHENO INVESTMENTS, LLC, a Nevada limited liability company, TOYON INVESTMENTS, LLC, a Nevada limited liability company, CHARLES W. REEVES and ANNE B. REEVES, husband and wife, ACI NORTHWEST, INC., an Idaho corporation, and DOES 1 through 20, inclusive,
Defendants.

Appealed from the First Judicial District, Bonner County, Idaho

HONORABLE MICHAEL J. GRIFFIN, presiding
District Judge

Susan P. Weeks, 1626 Lincoln Way, Coeur d'Alene, ID 83814 - Attorney for Appellant / North Idaho Resort

Gary A. Finney, 120 E. Lake St., Ste 317, Sandpoint, ID 83864 - Attorney for Appellant / JV LLC

John E. Miller, 1424 E. Sherman Ave., Ste. 500, Coeur d'Alene, ID 83814 - Attorney for Respondent

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF BONNER

UNION BANK, N.A., a national banking association,)	
Plaintiff-Respondent,)	
)	
v.)	
	)	Supreme Court 42467-2014
NORTH IDAHO RESORTS, LLC, an Idaho limited	)	Bonner County No. 2011-135
liability company)	
Defendant-Appellant,)	
)	
and)	
	)	SUPPLEMENTAL TO
PEND OREILLE BONNER DEVELOPMENT, LLC, a	)	CLERK'S RECORD ON APPEAL
Nevada limited liability company, JV, L.L.C. an Idaho)	
limited liability company, DAN JACOBSON, an)	
individual, SAGE HOLDINGS LLC, an Idaho limited)	
liability company, TIMBERLINE INVESTMENTS,)	
LLC, an Idaho limited liability company, STEVEN G.)	
LAZAR, an individual, AMY KORENGUT, an)	
individual, HLT REAL ESTATE LLC, PANHANDLE)	
STATE BANK, an Idaho corporation, R.E. LOANS,)	
LLC, a California limited liability company, WELLS)	
FARGO CAPITAL FINANCE, LLC, a Delaware)	
limited liability company, PEND OREILLE BONNER)	
DEVELOPMENT HOLDINGS, INC., a Nevada)	
corporation, PENSCO TRUST CO. custodian f/b/a)	
Barney Ng, a California corporation, B-K LIGHTING,)	
INC., a California corporation, FREDERICK J.)	
GRANT, an individual, CHRISTINE GRANT, an)	
individual, RUSS CAPITAL GROUP, LLC, an Arizona)	
Limited liability company, JOSEPH DUSSICH, an)	
individual, MOUNTAIN WEST BANK, an Idaho)	
corporation, STATE OF IDAHO, DEPARTMENT OF)	
REVENUE AND TAXATION, MONTAHENO)	
INVESTMENTS, LLC, a Nevada limited liability)	
company, TOYON INVESTMENTS, LLC, a Nevada)	
limited liability company, CHARLES W. REEVES and)	
ANNE B. REEVES, husband and wife, ACI)	
NORTHWEST, INC., an Idaho corporation, and DOES)	
1 through 20, inclusive,)	
Defendants.)	
)	
)	
)	
)	

SUPPLEMENTAL CLERK'S RECORD ON APPEAL

Appeal from the District Court of the First Judicial District of the state of Idaho, in and for the
County of Bonner.

HOROABLE MICHAEL J. GRIFFIN
District Judge

MS. SUSAN P. WEEKS
1626 LINCOLN WAY
COEUR D'ALENE, ID 83814
ATTORNEY FOR APPELLANT (NORTH IDAHO RESORT)

MR. GARY A. FINNEY
120 E. LAKE STREET –SUITE #317
SANDPOINT, ID 83864
ATTORNEY FOR APPELLANT (JV LLC)

MR. JOHN E. MILLER
1424 E. SHERMAN AVENUE – SUITE 500
COEUR D'ALENE, ID 83814
ATTORNEY FOR RESPONDENT

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Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, et al.

Date	Code	User	Judge
1/28/2011	NCOC	BOWERS	New Case Filed - Other Claims
	APER	BOWERS	Plaintiff: Pacific Capital Bank, N.A. Appearance John E. Miller
		BOWERS	Filing: A - All initial civil case filings of any type not listed in categories B-H, or the other A listings below Paid by: Miller, John E. (attorney for Pacific Capital Bank, N.A.) Receipt number: 0450827 Dated: 1/28/2011 Amount: \$88.00 (Check) For: Pacific Capital Bank, N.A. (plaintiff)
	COMP	PHILLIPS	Complaint Filed - Complaint for Mortgage Foreclosure
	SMIS	PHILLIPS	Summons Issued - 27
2/2/2011		PHILLIPS	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Finney et al Receipt number: 0451039 Dated: 2/2/2011 Amount: \$58.00 (Check) For: JV L.L.C. (defendant)
	MOTN	OPPELT	Exparte Motion for Order Allowing Out of State Service
	AFFD	OPPELT	Affidavit in Support of Exparte Motion for Order Allowing Out of State Service
	NOAP	OPPELT	Notice Of Appearance for JV L.L.C.
	APER	OPPELT	Defendant: JV L.L.C. Appearance Gary A. Finney
2/7/2011		PHILLIPS	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Finney et al Receipt number: 0451310 Dated: 2/7/2011 Amount: \$58.00 (Check) For: ACI Northwest Inc, an Idaho corporation (defendant)
	NOAP	OPPELT	Notice Of Appearance
	APER	OPPELT	Defendant: ACI Northwest Inc, an Idaho corporation Appearance John A Finney
2/8/2011	AFFD	PHILLIPS	Affidavit Re Verification of Complaint for Mortgage Foreclosure
2/9/2011	ORDR	PHILLIPS	Order Allowing Out of State Service of Summons
2/23/2011		PHILLIPS	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Wetzel Wetzel & Holt Receipt number: 0452255 Dated: 2/23/2011 Amount: \$58.00 (Check) For: North Idaho Resorts LLC, an Idaho limited liability (defendant)
	APER	PHILLIPS	Defendant: North Idaho Resorts LLC, an Idaho limited liability Appearance Steven C. Wetzel
	NOAP	PHILLIPS	Notice Of Appearance
	NOTC	OPPELT	Notice of Intent to Take Default

Date	Code	User	Judge
2/24/2011		PHILLIPS	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Layman Layman & Robinson PLLC Receipt number: 0452451 Dated: 2/25/2011 Amount: \$58.00 (Check) For: Montaheno Investments LLC, a Nevada limited liabil (defendant), Pend Oreille Bonner Development Holdings, Inc. (defendant), Pend Oreille Bonner Development, LLC (defendant) and Toyon Investments LLC (defendant)
	APER	PHILLIPS	Defendant: Pend Oreille Bonner Development, LLC Appearance John R Layman and Patti Jo Foster
	APER	PHILLIPS	Defendant: Pend Oreille Bonner Development Holdings, Inc. Appearance John R Layman and Patti Jo Foster
	APER	PHILLIPS	Defendant: Montaheno Investments LLC, a Nevada limited liabil Appearance John R Layman and Patti Jo Foster
	APER	PHILLIPS	Defendant: Toyon Investments LLC Appearance John R Layman and Patti Jo Foster
	NOAP	PHILLIPS	Notice Of Appearance - Layman and Foster
	MISC	PHILLIPS	no envelope enclosed for mailing copy of appearance to Layman
3/3/2011		PHILLIPS	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Lukins & Annis, PS Receipt number: 0453080 Dated: 3/8/2011 Amount: \$58.00 (Check) For: Mountain West Bank (defendant)
	APER	PHILLIPS	Defendant: Mountain West Bank Appearance Richard Wayne Sweney
	NOTC	PHILLIPS	Notice of Appearance
3/8/2011	REQU	PHILLIPS	Request for Entry of Default
3/10/2011	AFFD	PHILLIPS	Affidavit of John E Miller in Support of Request for Entry of Default
3/14/2011	ORDR	PHILLIPS	Order for Entry of Default
	CDIS	PHILLIPS	Civil Disposition entered for: Montaheno Investments LLC, a Nevada limited liabil, Defendant; Pend Oreille Bonner Development Holdings, Inc., Defendant; Pend Oreille Bonner Development, LLC, Defendant; Reeves, Ann B, Defendant; Reeves, Charles W, Defendant; Toyon Investments LLC, Defendant; Pacific Capital Bank, N.A., Plaintiff. Filing date: 3/14/2011
3/16/2011	MISC	OPPELT	Disclaimer

Date	Code	User	Judge
3/21/2011		PHILLIPS	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Ramsden & Lyons LLP Receipt number: 0453868 Dated: 3/22/2011 Amount: \$58.00 (Check) For: B-K Lighting Inc (defendant)
	APER	PHILLIPS	Defendant: B-K Lighting Inc Appearance Douglas S. Marfice
	NOAP	PHILLIPS	Notice Of Appearance
		PHILLIPS	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Elsaesser Jarzabek et al Receipt number: 0453878 Dated: 3/22/2011 Amount: \$58.00 (Check) For: Jacobson, Dan S (defendant), Lazar, Steven G (defendant) and Sage Holdings LLC (defendant)
	APER	PHILLIPS	Defendant: Jacobson, Dan S Appearance Bruce Anderson
	APER	PHILLIPS	Defendant: Sage Holdings LLC Appearance Bruce Anderson
	APER	PHILLIPS	Defendant: Lazar, Steven G Appearance Bruce Anderson
	NOAP	PHILLIPS	Notice Of Appearance
5/17/2011	SMRT	PHILLIPS	Summons Returned
	SMIS	PHILLIPS	Summons Issued - First Amended Complaint
	AMCO	PHILLIPS	First Amended Complaint Filed for: 1. Reformation of Legal Description Contained in Mortgage (Scrivener's Error); and 2. Mortgage Foreclosure
5/18/2011	NOTC	PHILLIPS	Amended Notice of Appearance for JV LLC
5/26/2011	MISC	PHILLIPS	Amended Disclaimer - Idaho State Tax Commission
5/27/2011	SUBC	PHILLIPS	Substitution Of Counsel - Steven Wetzel of Wetzel, Wetzel & Holt out; Steven Wetzel of James Vernon & Weeks in for North Idaho Resorts
7/11/2011	NODF	PHILLIPS	Notice Of Intent To Take Default
7/14/2011	REQU	PHILLIPS	Request for Entry of Default
	AFFD	PHILLIPS	Affidavit of John E Miller in Support of Request for Entry of Default
7/20/2011	REQU	PHILLIPS	Request for Dismissal Without Prejudice of Defendant Amy Korengut Only
7/21/2011	ORDR	PHILLIPS	Order for Entry of Default (re First Amended Complaint against certain defendants)

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User	Judge
7/21/2011	CDIS	PHILLIPS	Civil Disposition entered for: Pacific Capital Bank, N.A., Plaintiff; Pend Oreille Bonner Development Holdings, Inc., Defendant; Montaheno Investments LLC, a Nevada limited liability company, Defendant; Toyon Investments LLC, Defendant; Reeves, Ann B, Defendant; Reeves, Charles W, Defendant. Filing date: 7/21/2011
	MISC	PHILLIPS	no copies or envelopes provided for mailing of Order of Default to other parties
7/26/2011	ORDR	PHILLIPS	Order Re Dismissal Without Prejudice of Defendant Amy Korengut Only
	MISC	PHILLIPS	no copies or envelopes provided for mailing of above dismissal
	CDIS	PHILLIPS	Civil Disposition entered for: Korengut, Amy, Defendant; Pacific Capital Bank, N.A., Plaintiff. Filing date: 7/26/2011
8/17/2011	NODF	PHILLIPS	Notice Of Intent To Take Default
	AFSV	PHILLIPS	Affidavit Of Service of First Amended Complaint
8/29/2011		KELSO	Filing: K4 - Cross Claim (defendant v defendant or plaintiff v. plaintiff) This fee is in addition to any fee filed as a plaintiff to initiate the case or as a defendant appearing in the case Paid by: Finney, Finney, Finney, P.A. Receipt number: 0462151 Dated: 8/29/2011 Amount: \$14.00 (Check) For: JV L.L.C. (defendant)
	EXMN	PHILLIPS	Ex-parte Motion for Order Allowing Service of Summons by Publication
	AFFD	PHILLIPS	Affidavit in Support of Ex Parte Motion for Order Allowing Service of Summons by Publication
	ANSW	PHILLIPS	JV, LLC Answer to First Amended Complaint, Counterclaim and Cross Claim
9/2/2011	ORDR	PHILLIPS	Order Allowing Service of Summons by Publication
9/9/2011	AFMA	ADLER	Affidavit Of Mailing pursuant to order for publication of summons
	AFSV	PHILLIPS	Affidavit Of Service - Curt Hecker, Registered Agent, served for Panhandle State Bank 6/27/11
	AFSV	PHILLIPS	Affidavit Of Service - Robert Myers, agent for Timberline Investments LLC served 6/27/11
	AFSV	PHILLIPS	Affidavit Of Service - Corporations Services, Registered Agent, served for Wells Fargo Capital finance LLC on 6/23/11
	AFSV	PHILLIPS	Affidavit Of Service - Chelsea Stephens, authorized person, served for Bailey Law Group for HLT Real Estate LLC on 6/22/11
	AFSV	PHILLIPS	Affidavit Of Service - Statutory Agent served for Russ Capital Group, LLC, on 6/29/11

Date	Code	User	Judge
9/9/2011	NOSV	PHILLIPS	- Certificate of Service - Philip Dimatteo served for Russ Capital 6/28/11 ; no longer statutory agent
	PROO	PHILLIPS	Proof Of Service - Selena Thai of Accoutning served for Mortgage Fund '08 LLC on 6/22/11
9/14/2011	ANSW	PHILLIPS	ACI Northwest, Inc's Answer to First Amended Complaint
	REQU	PHILLIPS	Request for Entry of Default
	AFFD	PHILLIPS	Affidavit in Support of Request for Entry of Default (re Panhandle State Bank, Timberline Investments, Wells Fargo Capital Finance, HLT Real Estate, Russ Capital Group and mortgage Fund '08)
	AFFD	PHILLIPS	Affidavit of John E Miller in Support of Request for Entry of Default
	EXMN	PHILLIPS	Ex-parte Motion for Order Allowing Service of Summons by Publication
	AFFD	PHILLIPS	Affidavit in Support of Ex Parte Motion for Order Allowing Service of Summons by Publication
9/19/2011	REQU	PHILLIPS	Request for Entry of Default (re B-K Lighting)
	AFFD	PHILLIPS	Affidavit of John E Miller in Support of Request for Entry of Default
	MISC	HENDRICKSO	*****END OF FILE 1*****BEGIN FILE 2*****
9/22/2011	ORDR	PHILLIPS	Order for Entry of Default (re B-K Lighting, Inc)
	CDIS	PHILLIPS	Civil Disposition entered for: B-K Lighting Inc, Defendant; Pacific Capital Bank, N.A., Plaintiff. Filing date: 9/22/2011
	ORDR	PHILLIPS	Order for Entry of Default against Panhandle State Bank, Timberline Investments LLC, Wells Fargo Capital Finance, LLC, HLT Real Estate LLC, Russ Capital Group, LLC, and Mortgage Fund '08, LLC
	CDIS	PHILLIPS	Civil Disposition entered for: HLT Real Estate LLC, Defendant; Mortgage Fund '08 LLC, Defendant; Panhandle State Bank, an Idaho corporation, Defendant; Russ Capital Group LLC, Defendant; Timberline Investments, LLC, an Idaho limited liab, Defendant; Wells Fargo Capital Finance LLC a Delaware LL Co., Defendant; Pacific Capital Bank, N.A., Plaintiff. Filing date: 9/22/2011
	ORDR	PHILLIPS	Order Allowing Service of Summons by Publication
9/26/2011	AFFD	PHILLIPS	Affidavit of Dana L Rayborn Wetzel Re Automatic Stay
9/27/2011	ORDR	OPPELT	Administrative Order B11-DW.1

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User		Judge
9/27/2011	CHJG	OPPELT	Change Assigned Judge	Jeff Brudie
9/28/2011	ORDR	PHILLIPS	Stay Order (re Mortgage Fund '08, LLC)	Steve Verby
	ORDR	PHILLIPS	Stay Order (re R.E. Loans, LLC)	Steve Verby
	CDIS	PHILLIPS	Civil Disposition entered for: Mortgage Fund '08 LLC, Defendant; R.E. Loans LLC, a California Limited Liability Co, Defendant; Pacific Capital Bank, N.A., Plaintiff. Filing date: 9/28/2011	Jeff Brudie
9/29/2011	CINF	PHILLIPS	Clerk Information - file being returned to Sylvia	Jeff Brudie
9/30/2011	ORDR	OPPELT	Order of Reassignment	Jeff Brudie
	CHJG	OPPELT	Change Assigned Judge	John Stegner
10/4/2011	NOTC	OPPELT	Notice	John Stegner
10/7/2011	MODQ	PHILLIPS	Motion To Disqualify (re Judge Stegner)	John Stegner
11/3/2011	ORDR	OPPELT	Order Granting Motion to Disqualify (Judge Stegner)	John Stegner
	DISA	OPPELT	Disqualification Of Judge - Automatic - Judge Stegner	John Stegner
	CHJG	OPPELT	Change Assigned Judge	District Court Clerks
11/15/2011	ORDR	OPPELT	Order of Reassignment	Jeff Brudie
	CHJG	OPPELT	Change Assigned Judge	Michael J Griffin
11/16/2011		BOWERS	Miscellaneous Payment: For Making Copy Of Any File Or Record By The Clerk, Per Page Paid by: Smith Research Receipt number: 0465690 Dated: 11/16/2011 Amount: \$73.00 (Check)	District Court Clerks
11/21/2011	MISC	OPPELT	Copy of Entire File and ROA's Sent to Judge Griffin. (Except Affidavit in Support of Request for Entry of Default (re Panhandle State Bank, Timberline Investments, Wells Fargo Capital Finance, HLT Real Estate, Russ Capital Group and mortgage Fund '08) - Filed on 09-14-11 Unable to Locate	Michael J Griffin
3/5/2012		HENDRICKSO	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Meuleman Mollerup Receipt number: 0470791 Dated: 3/13/2012 Amount: \$58.00 (Check) For: R.E. Loans LLC, a California Limited Liability Co (defendant)	Michael J Griffin
	APER	HENDRICKSO	Defendant: R.E. Loans LLC, a California Limited Liability Co Appearance Richard L Stacey	Michael J Griffin
3/6/2012	MISC	DRIVER	Request for copy of entire file from Stephanie Wright of Idaho Transportation Department	Michael J Griffin
3/12/2012	NOTC	HENDRICKSO	Notice of Status and Entry of an Order for Relief from Automatic Stay Northern District of Texas	Michael J Griffin
3/15/2012	MISC	HENDRICKSO	Notice of Status faxed to Judge Griffin 3-15-12 422pm	Michael J Griffin

Date	Code	User	Judge
3/16/2012		DRIVER	Miscellaneous Payment: For Making Copy Of Any File Or Record By The Clerk, Per Page Paid by: State Controller's Warrant Ron G. Crane Receipt number: 0470993 Dated: 3/16/2012 Amount: \$348.00 (Check)
	MISC	DRIVER	Letter from Stephanie Wright with check for copy of entire file. Copy of entire file mailed.
5/2/2012	NOTC	OPPELT	Notice of Status; Entry of an Order for Relief from Automatic Stay Northern District of California; and Request to Lift the Stay Order of September 28, 2011
5/3/2012	CINF	OPPELT	Faxed to Judge Griffin - "Notice of Status; Entry of an Order for Relief from Automatic Stay Northern District of California; and Request to Lift the Stay Order of September 28, 2011"
5/14/2012	MOTN	HENDRICKSO	R.E. Loans, LLC's Motion for Telephonic Appearance
	NOHG	HENDRICKSO	Notice of Hearing re: Plaintiff's Request to Lift the Stay Order of September 28, 2011
	HRSC	HENDRICKSO	Hearing Scheduled (Hearing Scheduled 05/31/2012 10:00 AM) Idaho County Court
5/15/2012	MISC	HENDRICKSO	No Objection to Lifting Stay
5/16/2012	CINF	OPPELT	Faxed to Judge Griffin - "No Objection to Lifting Stay"
5/23/2012	ORDR	OPPELT	Order Granting R.E. Loans, LLC's Motion for Telephonic Appearance
	MISC	OPPELT	R.E. Loans, LLC's Conditional Objection to Pacific Capital Bank, N.A.'s Request to Lift the Stay Order
5/25/2012	MOTN	HENDRICKSO	Pend Oreille Bonner Development, LLC's Motion for Telephonic Appearance
	MISC	HENDRICKSO	Fax cover: documents faxed to Judge Griffin
	ORDR	HENDRICKSO	Order Granting Pend Oreille Bonner Development, LLC's Motion For Telephonic Appearance
5/29/2012	NOTC	OPPELT	North Idaho Resorts' Notice of Intent to Participate by Telephone at Hearing on May 31, 2012
5/30/2012	OBJC	OPPELT	Objection to the Requested Appearance by Pend Oreille Bonner Development, LLC
5/31/2012	CTLG	OPPELT	Court Log- - From Idaho County - No CD

Date	Code	User		Judge
5/31/2012	DCHH	OPPELT	Hearing result for Hearing Scheduled scheduled on 05/31/2012 10:00 AM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Idaho County Court Richard L. Stacey/Anna E. Eberlin/John Layman, and Steven Wetzel Appearing Telephonically - Less Than 100 Pages	Michael J Griffin
6/7/2012	ORDR	CMOORE	Order Lifting Stay	Michael J Griffin
6/11/2012	MISC	HENDRICKSO	JV's Demand for Jury Trial	Michael J Griffin
6/15/2012		HENDRICKSO	Filing: K4 - Cross Claim (defendant v defendant or plaintiff v. plaintiff) This fee is in addition to any fee filed as a plaintiff to initiate the case or as a defendant appearing in the case Paid by: James Vernon & Weeks Receipt number: 0475330 Dated: 6/19/2012 Amount: \$14.00 (Check) For: North Idaho Resorts LLC, an Idaho limited liability (defendant)	Michael J Griffin
	ANSW	HENDRICKSO	North Idaho Resorts, LLC's Answer to First Pacific Capital Bank, N.A.'s Amended Complaint, Counter Claim and Cross Claim	Michael J Griffin
7/2/2012	MISC	OPPELT	Defendant JV LLC's Response to Plaintiff's Request for Admissions of Fact and Genuineness of Documents	Michael J Griffin
7/6/2012	MISC	OPPELT	Pacific Capital Bank, N.A.'s Reply to Counter Claim by North Idaho Resorts, LLC	Michael J Griffin
7/9/2012	NOTC	HENDRICKSO	Notice of Name Change	Michael J Griffin
	REPL	HENDRICKSO	Pacific Capital Bank, N.A.'s Reply to Counter Claim by JV, LLC	Michael J Griffin
7/20/2012	MISC	HENDRICKSO	Faxed copies of Notice of Name Change to Judge Griffin for review	Michael J Griffin
7/25/2012	NOSV	OPPELT	Notice Of Service	Michael J Griffin
	MISC	HENDRICKSO	*****END OF FILE #2*** BEGIN FILE #3*****	Michael J Griffin
8/9/2012	STIP	HENDRICKSO	Stipulation re: Priorities Between Pacific Capital Bank N.A. and R.E. Loans, LLC	Michael J Griffin
	APER	HENDRICKSO	Defendant: Grant, Frederick J Appearance John E. Miller	Michael J Griffin
	APER	HENDRICKSO	Defendant: Grant, Christine Appearance John E. Miller	Michael J Griffin
		HENDRICKSO	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: The Law Office of John E Miller Receipt number: 0478034 Dated: 8/14/2012 Amount: \$66.00 (Check) For: Grant, Christine (defendant) and Grant, Frederick J (defendant)	Michael J Griffin
	MISC	HENDRICKSO	Disclaimer	Michael J Griffin

Date	Code	User		Judge
8/9/2012	CESV	HENDRICKSO	Certificate Of Service of Disclaimer by Grants	Michael J Griffin
8/10/2012	MISC	HENDRICKSO	Document faxed to Judge Griffin	Michael J Griffin
8/15/2012	AFSV	HENDRICKSO	Affidavit Of Service - Joseph Hussich on 06-28-2012	Michael J Griffin
	REQU	HENDRICKSO	Request for Entry of Default	Michael J Griffin
	AFFD	HENDRICKSO	Affidaviti of John E. Miller in Support of Request for Entry of Default	Michael J Griffin
8/16/2012	REQU	HENDRICKSO	Request for Entry of Default	Michael J Griffin
	AFFD	HENDRICKSO	Affidavit of John E. Miller in Support of Request for Entry of Default	Michael J Griffin
	AFPB	HENDRICKSO	Affidavit Of Publication Pensco Trust Co. custodian f/b/a Barney Ng	Michael J Griffin
8/22/2012	MISC	HENDRICKSO	Fax cover - documents faxed to Judge for review	Michael J Griffin
	CINF	HENDRICKSO	paperwork is at Jo's desk in pending	Michael J Griffin
	MISC	HENDRICKSO	Documents faxed to Judge for review	Michael J Griffin
8/27/2012	STIP	HENDRICKSO	Stipulation re: Priorities Between Pacific Capital Bank N.A. and Dan S. Jacobson, Sage Holdings, LLC and Steven G. Lazar	Michael J Griffin
	STIP	HENDRICKSO	Stipulation re: Priorities Between Pacific Capital Bank, N.A. and Mountain West Bank	Michael J Griffin
	ORDR	HENDRICKSO	Order for Entry of Default (Dussich Joseph ONLY)	Michael J Griffin
	ORDR	HENDRICKSO	Order for Entry of Default	Michael J Griffin
8/29/2012	NOHG	HENDRICKSO	Notice of Heaing re: Plaintiff's Motion to Amend Caption and Reference to Plaintiff	Michael J Griffin
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 09/20/2012 04:00 PM) Idaho County Court Attorney J. Miller by telephone	Michael J Griffin
	NOWD	HENDRICKSO	Notice of Withdrawal and Substitution	Michael J Griffin
	APER	HENDRICKSO	Defendant: Reeves, Ann B Appearance John R Layman	Michael J Griffin
	APER	HENDRICKSO	Defendant: Reeves, Ann B Appearance Bradley C Crockett	Michael J Griffin
	APER	HENDRICKSO	Defendant: Reeves, Charles W Appearance John R Layman	Michael J Griffin
	APER	HENDRICKSO	Defendant: Reeves, Charles W Appearance Bradley C Crockett	Michael J Griffin
	APER	HENDRICKSO	Defendant: Toyon Investments LLC Appearance Bradley C Crockett	Michael J Griffin
	APER	HENDRICKSO	Defendant: Montaheno Investments LLC, a Nevada limited liabil Appearance Bradley C Crockett	Michael J Griffin
	APER	HENDRICKSO	Defendant: Pend Oreille Bonner Development Holdings, Inc. Appearance Bradley C Crockett	Michael J Griffin

Date	Code	User	Judge
8/29/2012	APER	HENDRICKSO	Defendant: Pend Oreille Bonner Development, LLC Appearance Bradley C Crockett
	MOTN	HENDRICKSO	Plaintiff's Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name Change
	AFFD	HENDRICKSO	Affidavit of Counsel in Support of Plaintiff's Motion to Amend The Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name Change
	NOHG	HENDRICKSO	Notice of Hearing re: Plaintiff's Motion To Amend Caption and Reference to Plaintiff
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 09/20/2012 04:00 PM) Plaintiff's Motion to Amend Caption and Reference to Plaintiff
	MOTN	HENDRICKSO	Plaintiff's Motion To Allow the Parties to Appear Telephonically at Plaintiff's Motion Calendared for Hearing on September 20, 2012 4:00 pm
8/30/2012	ORDR	HENDRICKSO	Order Granting Plaintiffs Motion To Appear Telephonically at its Motions Calendared for Hearing on September 20, 2012 at 4:00 pm
	MOTN	HENDRICKSO	Plaintiff's Motin To Strike Demand for Jury Trial by Counterclaimant, JV. LLC
	MEMO	HENDRICKSO	Memorandum in Support of Plaintiff;s Motion To Strike Demand for Jury Trial By Counterclaimant, JV LLC
	NOHG	HENDRICKSO	Notice of Hearing re: Plaintiff's Motion to Strike Demand For Jury Trial
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 09/20/2012 04:00 PM) Plaintiff's Motin to Strike Demand for Jury Trial
9/5/2012	NOTC	HENDRICKSO	North Idaho Resorts' Notice of Intent to Participate by Telephone in Hearing on September 20, 2012
9/12/2012	MISC	HENDRICKSO	Notice of Intent to Participate by phone faxed to Judge Griffin
9/13/2012	NOSV	OPPELT	Notice Of Service of Plaintiff's Response to North Idaho Resorts, LLC's First Set of Requests for Admissions
9/17/2012	HRVC	HENDRICKSO	Hearing result for Motion scheduled on 10/04/2012 08:30 AM: Hearing Vacated Plaintiff's Motin to Strike Demand for Jury Trial - by telephone
9/18/2012	NOHG	HENDRICKSO	Amended Notice of Hearing - (Changing from September 9, 2012) and JV, LLC's Consent to Plaintiff's Motions and JV, LLC's Withdrawal of Demand for Jury

Date	Code	User	Judge
9/18/2012	HRSC	HENDRICKSO	Hearing Scheduled (Motion 10/04/2012 08:30 AM) Plaintiff's Motin to Strike Demand for Jury Trial - by telephone Michael J Griffin
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 10/04/2012 08:30 AM) Plaintiff's MotiOn to Strike Demand for Jury Trial - by telephone Michael J Griffin
	HRVC	HENDRICKSO	Hearing result for Motion scheduled on 09/20/2012 04:00 PM: Hearing Vacated Plaintiff's Motion to Amend Caption and Reference to Plaintiff Michael J Griffin
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 10/04/2012 08:30 AM) Plaintiff's Motion to Amend Caption and Reference to Plaintiff Michael J Griffin
	HRVC	HENDRICKSO	Hearing result for Motion scheduled on 09/20/2012 04:00 PM: Hearing Vacated Idaho County Court Attorney J. Miller by telephone Attorney S. Wetzel by telephone Michael J Griffin
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 10/04/2012 08:30 AM) Idaho County Court Attorney J. Miller by telephone Attorney S. Wetzel by telephone Michael J Griffin
9/19/2012	HRVC	HENDRICKSO	Hearing result for Motion scheduled on 09/20/2012 04:00 PM: Hearing Vacated Plaintiff's Motin to Strike Demand for Jury Trial Michael J Griffin
	NOTC	HENDRICKSO	Defendants Dan S. Jacobson, Sage Holdings, LLC and Steven G. Lazar's Notice of Non-Opposition re: October 4, 2012 Michael J Griffin
	NOTC	HENDRICKSO	R.E. Loans, LLC's Notice of Non-Opposition [re: October 4, 2012, Hearings] Michael J Griffin
10/4/2012	WDRW	HENDRICKSO	Hearing result for Motion scheduled on 10/04/2012 08:30 AM: Withdrawn Plaintiff's Motion to Strike Demand for Jury Trial - by telephone Michael J Griffin
	GRNT	HENDRICKSO	Hearing result for Motion scheduled on 10/04/2012 08:30 AM: Motion Granted Plaintiff's Motion to Amend Caption and Reference to Plaintiff Michael J Griffin
	GRNT	HENDRICKSO	Hearing result for Motion scheduled on 10/04/2012 08:30 AM: Motion Granted Idaho County Court Attorney J. Miller by telephone Attorney S. Wetzel by telephone Michael J Griffin
10/10/2012	ORDR	OPPELT	Order Granting Motion to Strike Demand for Jury Michael J Griffin
10/17/2012	ORDR	OPPELT	Order Granting Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name Change Michael J Griffin

Date	Code	User	Judge
10/19/2012	DCHH	HENDRICKSO	Hearing result for Motion scheduled on 10/04/2012 08:30 AM: District Court Hearing Held - By Phone Grangeville Idaho Court Reporter: K. Evans Number of Transcript Pages for this hearing estimated: Plaintiff's Motion to Amend Caption and Reference to Plaintiff
10/31/2012	REQU	JACKSON	Request from Judge's clerk for copy of 8-27-12 stipulation
	CINF	JACKSON	Clerk Information - Copy of Stipulation sent to Judge's Clerk per request
1/4/2013	ORDR	HENDRICKSO	Order Granting Second Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name Change
1/14/2013	MOTN	HENDRICKSO	Plaintiffs Motion to Allow the Parties to Appear Telephonically at Plaintiff's Motion Calendared for Hearing on January 31, 2013 at 10:30am
	NOHG	HENDRICKSO	Notice of Hearing re: Plaintiff's Second Motion to Amend Caption and Reference to Plaintiff; and Notice of Trial Setting and Scheduling Conference
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 01/31/2013 10:30 PM) By telephone Second Motion to Amend Caption and Reference to Plaintiff
	MOTN	HENDRICKSO	Plaintiff's Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name Change
	AFFD	HENDRICKSO	Affidavit of Counsel in Support of Plaintiff's Second Motion to Amend the Caption and Reference to Plaintiff in The First Amended Complaint by Virtue of Name Change
1/16/2013	ORDR	HENDRICKSO	Order Granting Plaintiffs Motion to Appear Telephonically at its Motion s Calendared for Hearing on January 31, 2013 at 10:30am
	NOTC	HENDRICKSO	R.E. Loans, LLC's Notice of Intenet to Appear by Telephone [January 31st, 2013 Hearings]
1/23/2013	NOTC	HENDRICKSO	Defendants Dan S, Jacobson, Sage Holdings, LLC and Steven G. Lazar's Notice of Non0Opposition and Intent to Appear by Telephone - re: January 31, 2013 Hearing
1/28/2013	RSPN	HENDRICKSO	Defendant North Idaho Resorts, LLC Response to Plaintiff's Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name Change
1/29/2013	MISC	HENDRICKSO	R.E. Loans, LLC's Notice of Non-Opposition [RE: January 31, 2013 Hearing]

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User	Judge
1/29/2013	NOTC	HENDRICKSO	Defendant North Idaho Resorts, LLC's Notice of Intent to Appear Telephonically Michael J Griffin
1/31/2013	CTLG	OPPELT	Court Log- From Grangeville, Idaho Michael J Griffin
	DCHH	OPPELT	Hearing result for Motion scheduled on 01/31/2013 10:30 PM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Attorney J. Miller and Plaintiff's By telephone / Defendant Attorney Weeks by telephone - Less Than 100 Pages Second Motion to Amend Caption and Reference to Plaintiff Michael J Griffin
2/4/2013	ORDR	OPPELT	Order Scheduling Case for Trial Michael J Griffin
	HRSC	OPPELT	Hearing Scheduled (Court Trial - 3 Days 10/30/2013 09:00 AM) In Bonner County Michael J Griffin
	HRSC	OPPELT	Hearing Scheduled (Pretrial Conference 10/08/2013 09:00 AM) In Idaho County Michael J Griffin
2/12/2013	NOTC	HENDRICKSO	Notice of Change of Address - Attorney Anderson Michael J Griffin
3/18/2013	APED	BOWERS	Application For Entry Of Default Judgment as to Defendant Pend Oreille Bonner Development, LLC Michael J Griffin
	AFFD	BOWERS	Affidavit of Kim Von Disterlo in Support of Request for Entry of Default Judgment as to Defendant Pend Oreille Bonner Development, LLC Michael J Griffin
3/20/2013	NOHG	HENDRICKSO	Notice of Hearing re: Plaintiff's Motion for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: RE Priority Michael J Griffin
	HRSC	HENDRICKSO	Hearing Scheduled (Motion for Partial Summary Judgment 04/19/2013 11:00 AM) Michael J Griffin
	MOTN	HENDRICKSO	Motion for Judgment on the Pleadings (IRCP 12(c)) by Defendant JV, LLC and Notice of Hearing Michael J Griffin
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 04/19/2013 11:00 AM) Bonner County Michael J Griffin
	MEMO	HENDRICKSO	JV, LLC's Memorandum - In Support of its Motion for Judgment on the Pleadings (IRCP 12(c)) Michael J Griffin
3/21/2013	NOWD	BOWERS	Notice Of Withdrawal of Hearing Re Plaintiff's Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Priority Michael J Griffin
3/22/2013	NOFH	BOWERS	Notice Of Hearing Re Plaintiff's Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Priority Michael J Griffin

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User	Judge
3/22/2013	HRSC	BOWERS	Hearing Scheduled (Motion for Partial Summary Judgment 04/19/2013 11:00 AM) Plaintiff's Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC Re: Priority
	HRVC	BOWERS	Hearing result for Motion for Partial Summary Judgment scheduled on 04/19/2013 11:00 AM: Hearing Vacated Plaintiff's Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC Re: Priority
4/1/2013	ORDR	JACKSON	Order for Default Judgment and Decree of Foreclosure as to Defendant Pend Oreille Bonner Development, LLC
4/3/2013	MISC	JACKSON	Notice of Compliance / Disclosure of Plaintiff's Expert Witnesses
4/4/2013	MEMO	JACKSON	JV, LLC'S Supplemental Memorandum - In Support of Its Motion for Judgment on the Pleadings and Correction to Paragraph VII, 5 and Waiver of Oral Argument
	MISC	JACKSON	Supplemental Plaintiff's Expert Witness Disclosure
4/8/2013	MEMO	BOWERS	Memorandum in Support of Plaintiff's Opposition to Motion for Judgment on the Pleadings by JV, LLC
	AFFD	BOWERS	Affidavit of John E. Miller in Support of Opposition to JV, LLC's Motion for Judgment on the Pleadings
	MOTN	BOWERS	Plaintiff's Motion to Allow the Parties to Appear Telephonically at JV, LLC's Motions Calendared for Hearing on April 19, 2013 at 11:00 AM
4/9/2013	CDIS	BOWERS	Civil Disposition entered for: Pend Oreille Bonner Development, LLC, Defendant; Lazar, Steven G, Defendant; Union Bank, National Association, Plaintiff. Filing date: 4/9/2013
	NOTC	JACKSON	North Idaho Resort's Notice of Intent to Participate by Telephone in Hearings on April 19, 2013
4/10/2013	NOTC	BOWERS	Defendants Dan S. Jacobson, Sage Holdings, LLC, and Steven G. Lazar's Notice of Intent to Appear by Telephone Re: April 19, 2013 Hearing
4/12/2013	AFFD	JACKSON	Affidavit of Terrilyn S. Baron in Support of Opposition to JV, LLC's Motion for Judgment on the Pleadings (hrq 4-19)
	MISC	JACKSON	FAX sheet
4/15/2013	MISC	JACKSON	FAX sheet - fax'd Order Granting Plaintiff's Motion re hearing
	MISC	HENDRICKSO	R.E. Loans, LLC's Notice of Intent to Appear by Telephone

Date	Code	User	Judge
4/16/2013	ORDR	HENDRICKSO	Order Granting Plaintiffs Motion to Appear Telephonically at JV,LLV's Motion Calendared for Hearing on April 19th, 2012 at 11:00 am
4/18/2013	REPL	HENDRICKSO	JV, LLC's Reply to Plaintiff's Memorandum in Support of Plaintiff's Opposition to Motion for Judgment on the Pleadings by JV, LLC and.....
	MOTN	HENDRICKSO	JV, LLC's Motion to Strike Bank's Memorandum and the Supporting Affidavit of Terrilyn S. Baron
	MISC	HENDRICKSO	****END OF FILE #3****BEGIN FILE #4*****
4/19/2013	CTLG	OPPELT	Court Log- From Idaho County - No CD Received
	DCHH	OPPELT	Hearing result for Motion scheduled on 04/19/2013 11:00 AM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Less Than 100 Pages
	DCHH	OPPELT	Hearing result for Motion for Partial Summary Judgment scheduled on 04/19/2013 11:00 AM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Attorney Miller by phone - Less Than 100 Pages
4/26/2013	ANSW	HENDRICKSO	R.E. Loans, LLC's Answer to JV LLC's Cross-Claim
4/29/2013		HENDRICKSO	Filing: K4 - Cross Claim (defendant v defendant or plaintiff v. plaintiff) This fee is in addition to any fee filed as a plaintiff to initiate the case or as a defendant appearing in the case Paid by: Meuleman Mollerup Receipt number: 0489878 Dated: 5/2/2013 Amount: \$14.00 (Check) For: R.E. Loans LLC, a California Limited Liability Co (defendant)
	ANSW	HENDRICKSO	R.E. Loans, LLC's Answer to North Idaho Resorts, LLC's Cross-Claim and Cross-Claim Against North Idaho Resorts, LLC
5/1/2013	ORDR	HUMRICH	Order Denying Motion for Judgment on the Pleadings
5/2/2013	APPL	HENDRICKSO	Application for Entry of Default Judgment as to the Defaulted Defendants
5/7/2013	NOSV	HENDRICKSO	Notice of Service of Discovery
5/9/2013	ORDR	HENDRICKSO	Order for Default Judgment and Decree of Foreclosure as to Other Defaulted Defendants (6 pgs)
5/14/2013	WITN	HENDRICKSO	R.E. Loans, LLC's Expert Witness Disclosure
5/15/2013	NOSV	HENDRICKSO	Notice Of Service of Discovery

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User	Judge
5/17/2013	WITN	HENDRICKSO	North Idaho Resort's Expert Witness Disclosure Michael J Griffin
5/28/2013	STIP	HENDRICKSO	Stipulation re: Priorities Between Union Bank, N.A. and ACI Northwest, Inc Michael J Griffin
5/30/2013	NOTC	HENDRICKSO	Notice of Change of Address - Attorney J. E. Miller Michael J Griffin
6/6/2013	NOHG	HENDRICKSO	Notice of Hearing re: Plaintiff's Motion for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: RE Priority Michael J Griffin
	HRSC	HENDRICKSO	Hearing Scheduled (Motion for Partial Summary Judgment 07/08/2013 09:00 AM) Attorney J. Miller by phone Michael J Griffin
6/11/2013	NOHG	HENDRICKSO	Amended Notice of Hearing re: Plaintiff's Motion for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re: Priority Michael J Griffin
	CONT	HENDRICKSO	Continued (Motion for Partial Summary Judgment 07/29/2013 09:30 AM) Attorney J. Miller by phone Michael J Griffin
6/17/2013	NOTC	HENDRICKSO	JV, LLC's Notice of Serving Answers to R.E. Loans, LLC's First Set of Discovery Requests to JV, LLC Michael J Griffin
6/24/2013	NOSV	HENDRICKSO	Notice of Service Defendant North Idaho Resorts, LLC's Answer and Responses to R.E. Loans, LLC's First Set of Discovery Request to North Idaho Resorts, LLC Michael J Griffin
	MISC	HENDRICKSO	*****END OF FILE #4*****BEGIN FILE #5*****EXPANDO #2 Michael J Griffin
7/1/2013	MOTN	OPPELT	Plaintiff's Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Reformation and Priority Michael J Griffin
	MEMO	OPPELT	Plaintiff's Memorandum in Support of Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Reformation and Priority Michael J Griffin
	AFFD	OPPELT	Affidavit of John E. Miller in Support of Motions for Partial Summary Judgment Re Reformation and Priority Michael J Griffin
	AFFD	OPPELT	Affidavit of Terrilyn S. Baron in Support of Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Reformation and Priority Michael J Griffin
	AFFD	OPPELT	Affidavit of Rick Lynskey in Support of Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Reformation and Priority Michael J Griffin
	AFFD	OPPELT	Supplemental Affidavit of Rick Lynskey in Support of Motions for Partial Summary Judgments as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Reformation and Priority Michael J Griffin

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User		Judge
7/1/2013	REQU	OPPELT	Request for Judicial Notice (Idaho Rules of Evidence, Rule 201(b)(d))	Michael J Griffin
	MOTN	OPPELT	Plaintiffs Motion to Allow the Parties to Appear Telephonically at Plaintiff's Motions for Partial Summary Judgment Calendared for Hearing on July 29, 2013 at 9:30 AM	Michael J Griffin
7/2/2013	MOTN	OPPELT	Corrected Plaintiffs Motion to Allow the Parties to Appear Telephonically at Plaintiff's Motions for Partial Summary Judgment Calendared for Hearing on July 29, 2013 at 9:30 AM	Michael J Griffin
	ORDR	OPPELT	Order Granting Plaintiffs Motion to Appear Telephonically at Plaintiff's Motions for Partial Summary Judgment Calendared for Hearing on July 29, 2013 at 9:30 AM	Michael J Griffin
7/15/2013	MISC	HENDRICKSO	R.E. Loans, LLC's Amended Cross-Claim Against North Idaho Resorts, LLC	Michael J Griffin
	MOTN	HENDRICKSO	Defendant North Idaho Resort, LLC's Motion for Enlargement of Time	Michael J Griffin
	AFFD	HENDRICKSO	JV, LLC's Affidavit of James W. Berry in Opposition to Plaintiff's Motion for Partial Summary Judgment	Michael J Griffin
	MEMO	HENDRICKSO	JV, LLC's Memorandum in Opposition to Plaintiff's Motion for Partial Summary Judgment	Michael J Griffin
	MEMO	HENDRICKSO	Defendant North Idaho Resort, LLC's Memorandum in Opposition to Plaintiff's Motion for Summary Judgment	Michael J Griffin
	AFFD	HENDRICKSO	Affidavit of Weeks in Opposition to Plaintiff's Motion for Summary Judgment	Michael J Griffin
	MISC	HENDRICKSO	*****END OF FILE #5*****BEGIN FILE #6*****	Michael J Griffin
7/16/2013	AFFD	HENDRICKSO	Affidavit of Richard Villelli in Opposition to Plaintiff's Motion for Summary Judgment	Michael J Griffin
7/18/2013	MOTN	OPPELT	R.E. Loans, LLC's Motion for Partial Summary Judgment Against North Idaho Resorts, LLC	Michael J Griffin
	MEMO	OPPELT	R.E. Loans, LLC's Memorandum in Support of Motion for Partial Summary Judgment	Michael J Griffin
	AFFD	OPPELT	Affidavit of Chad M. Nicholson in Support of R.E. Loans, LLC's Motion for Partial Summary Judgment Against North Idaho Resorts, LLC	Michael J Griffin
	NOTC	OPPELT	R.E. Loans, LLC's Request for Judicial Notice Pursuant to I.R.E. 201(b)	Michael J Griffin
	NOFH	OPPELT	Notice Of Telephonic Hearing on R.E. Loans, LLC's Motion for Partial Summary Judgment Against North Idaho Resorts, LLC	Michael J Griffin
	HRSC	OPPELT	Hearing Scheduled (Motion for Partial Summary Judgment 08/26/2013 03:00 PM) In Idaho County - Telephonic	Michael J Griffin

Date	Code	User	Judge
7/19/2013	NOTC	BOWERS	Defendants Dan S. Jacobson, Sage Holdings, LLC, and Steven G. Lazar's Notice of Intent to Appear by Telephone
7/23/2013	REPL	BOWERS	Plaintiff's Reply Memorandum to Defendant JV, LLC's Opposition to Plaintiff's Motion for Partial Summary Judgment
7/24/2013	REPL	BOWERS	Plaintiff's Reply Memorandum to Defendant North Idaho Resorts, LLC's Opposition to Plaintiff's Motion for Partial Summary Judgment
	NOTC	BOWERS	R.E. Loans, LLC's Notice of Intent to Appear Telephonically
7/25/2013	NOTC	OPPELT	Defendant's North Idaho Resort. LLC's Notice of Intent to Appear by Phone
	MISC	HENDRICKSO	*****END OF FILE #6***BEGIN FILE #7*****
7/29/2013	DCHH	HENDRICKSO	Hearing result for Motion for Partial Summary Judgment scheduled on 07/29/2013 09:30 AM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: (To be heard in Idaho County) - Susan Weeks telephonic
8/7/2013	NOSV	HENDRICKSO	Notice of Service of Plaintiff's First Set of Interrogatories and Requests for Production to North Idaho Resorts
8/12/2013	CERT	HENDRICKSO	Amended Certificate of Service re: Defendant North Idaho Resort, LLC's Memorandum in Opposition to RE Loans Motion for Partial Summary Judgment
	NOSV	HENDRICKSO	Notice of Service of Plaintiff's First Set of Interrogatories and Requests for Production to JV, LLC
	AFFD	HENDRICKSO	James W. Berry's Affidavit in Opposition to R.E. Loans's Motion for Partial Summary Judgment
	MEMO	HENDRICKSO	Defendant North Idaho Resort, LLC's Memorandum in Opposition to R.E. Loan's Motion for Partial Summary Judgment
8/13/2013	NOSV	HENDRICKSO	Notice of Service of Plaintiff's Second Set of Interrogatories and Requests for Production to JV, LLC
8/20/2013	NOTC	HENDRICKSO	Notice Vacating Hearing on R.E. Loans, LLC's Motion for Partial Summary Judgment Against North Idaho Resorts, LLC
	STIP	HENDRICKSO	Stipulation as to Claims of North Idaho Resorts, LLC Against R.E. Loans, LLC
	MISC	HENDRICKSO	R.E. Loans, LLC Disclaimer of Interest In Trestle Creek

Date	Code	User	Judge
8/22/2013	HRVC	HENDRICKSO	Hearing result for Motion for Partial Summary Judgment scheduled on 08/26/2013 03:00 PM: Hearing Vacated In Idaho County - Telephonic
	HRVC	HENDRICKSO	Hearing result for Motion for Partial Summary Judgment scheduled on 08/26/2013 03:00 PM: Hearing Vacated In Idaho County - Telephonic - Per Judge Griffin by phone 8-22-2013 / 924am
8/28/2013	MEMO	HENDRICKSO	Memorandum on Partial Summary Judgment RE JV, LLC
	ORDR	HENDRICKSO	Order Granting Partial Summary Judgment RE JV, LLC
	MEMO	HENDRICKSO	Memorandum on Partial Summary Judgment RE NIR
	ORDR	HENDRICKSO	Order Granting Partial Summary Judgment RE NIR in Part
	REQU	HENDRICKSO	JV, LLC's Request to Charles Reeves - For Docuemtns re: His Deposition of August 19, 13
9/3/2013	MISC	HENDRICKSO	M&M Court Reporting Service, Inc re: Deponent: James W. Berry
	MISC	HENDRICKSO	M&M Court Reporting Service, Inc re: Deponent: Gary A. Finney, Esq.
9/5/2013	MISC	HENDRICKSO	M&M Court Reporting Service, Inc re: Deponent: Charles Reeves
9/11/2013	STIP	HENDRICKSO	Stipulation as to Claims of JV, LLC Against R.E. Loans, LLC
	MISC	HENDRICKSO	M&M Court Reporting Service, Inc re: Deponent Richard A. Villelli
9/16/2013		BRACKETT	Miscellaneous Payment: For Making Copy Of Any File Or Record By The Clerk, Per Page Paid by: North Idaho Title Receipt number: 0496919 Dated: 9/16/2013 Amount: \$22.00 (Check)
		BRACKETT	Miscellaneous Payment: For Certifying The Same Additional Fee For Certificate And Seal Paid by: North Idaho Title Receipt number: 0496919 Dated: 9/16/2013 Amount: \$6.00 (Check)
9/18/2013		BOWERS	Miscellaneous Payment: For Making Copy Of Any File Or Record By The Clerk, Per Page Paid by: Bonner Comm Golf & Recreation Receipt number: 0497073 Dated: 9/18/2013 Amount: \$10.00 (Check)
9/19/2013	REQU	HENDRICKSO	R.E. Loans, LLC's Request for Documents form Deponent Clarkes Reeves [Re: August 19, 2013 Deposition]
	MOTN	HENDRICKSO	JV, LLC's Motion to Alter and Amend Order Granting Partial Summary Judgment RE: JV, LLC, and Motion to Reconsider
9/27/2013	STIP	HENDRICKSO	Stipulation to Continue Trial

Date	Code	User		Judge
9/30/2013	ORDR	HENDRICKSO	Order to Continue Trial - Granted	Michael J Griffin
	CONT	HENDRICKSO	Hearing result for Court Trial - 3 Days scheduled on 10/30/2013 09:00 AM: Continued In Bonner County - By Stipulated Order	Michael J Griffin
	MISC	HENDRICKSO	Plaintiff's Preliminary Opposition to Motion to Alter and Amend Order Granting Partial Summary Judgment and Motio to Reconsider by JV, LLC	Michael J Griffin
	CINF	HENDRICKSO	At the time the above Plaintiff's Preliminary Opposition was file, no notice of hearing filed. waiting for dec court calendar. email to Jane (Judge Griffin's clerk) to advise. I will contact her again on Monday 10-7	Michael J Griffin
10/1/2013	HRVC	HENDRICKSO	Hearing result for Pretrial Conference scheduled on 10/08/2013 09:00 AM: Hearing Vacated In Idaho County - Per Judge Griffin	Michael J Griffin
10/9/2013	HRSC	HENDRICKSO	Hearing Scheduled (Motion 12/20/2013 10:30 AM) Re: JV, LLC's Motion to Alter/Reconsider	Michael J Griffin
10/16/2013	NOSV	HENDRICKSO	Notice of Service of Defendant North Idaho Resorts, LLC's Answer and Responses to Plaintiff's First Set of Interrogatoreis and Requests for Production of Documents to North Idaho Resorts, LLC	Michael J Griffin
	RSPN	HENDRICKSO	Plaintiff's Response to Defendant's Objection and Reply in Support of Motion for Leave to Amend Complaint and Add Defendant's	Michael J Griffin
10/25/2013	NOSV	HENDRICKSO	JV, LLC's Notice of Serving Answers to Union Bank's First and Second Set of Discovery Requests to JV, LLC	Michael J Griffin
11/4/2013	MISC	HENDRICKSO	M&M Court Reporting Service, Inc Deponent: Charles Reeves	Michael J Griffin
	MISC	HENDRICKSO	M&M Coustrt Reporting Service, Inc Deponent: Richard A. Villelli	Michael J Griffin
11/21/2013	RQTS	HENDRICKSO	Request For Trial Setting	Michael J Griffin
11/27/2013	NOHG	HENDRICKSO	Second Amended Notice of Hearing on Motion to Enter Judgment	Michael J Griffin
12/2/2013	HRSC	HENDRICKSO	Hearing Scheduled (Hearing Scheduled 12/06/2013 11:00 AM) Telephone Conference	Michael J Griffin
		HENDRICKSO	Notice Of Hearing	Michael J Griffin
	RQTS	HENDRICKSO	R.E. Loans, LLC's Response to Request for Trial Setting	Michael J Griffin
12/4/2013	CONT	HENDRICKSO	Continued (Hearing Scheduled 12/06/2013 01:00 PM) Telephone Conference - Attorney's to contact court	Michael J Griffin
		HENDRICKSO	Amended Notice Of Hearing	Michael J Griffin

Date	Code	User	Judge
12/6/2013	DCHH	HENDRICKSO	Hearing result for Hearing Scheduled scheduled on 12/06/2013 01:00 PM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Telephone Conference - Attorney's to contact court
12/9/2013	ORDR	HENDRICKSO	Order for Hearing re: Trial Setting
	ORDR	HENDRICKSO	Order for Hearing re: JV, LLC's Motion to Alter/Reconsider
	HRSC	HENDRICKSO	Hearing Scheduled (Hearing Scheduled 12/09/2013 10:30 AM) re: Trial Setting
	CONT	OPPELT	Hearing result for Hearing Scheduled scheduled on 12/09/2013 10:30 AM: Continued re: Trial Setting - To 12-20-13
12/12/2013	MISC	HENDRICKSO	Acknowledgment Pursuant to Rule 16(k)(7) IRCP Regarding Case Status/Mediation - Mediation did not result in a resolution of the case
12/13/2013	NOTC	HENDRICKSO	R.E. Loans, LLC's Notice re: Order for Hearing re: JV, LLC's Motion to Alter/Reconsider
12/16/2013	OBJC	HENDRICKSO	Plaintiff's Written Objections to Presented Evidence by JV, LLC
	MEMO	HENDRICKSO	Plaintiff's Memorandum in Opposition to Motin to Alter and Amend Order Granting Partial Summary Judgment and Motion to Reconsider by JV, LLC
12/20/2013	CMIN	RASOR	Court Minutes Hearing type: Motion Hearing date: 12/20/2013 Time: 10:17 am Courtroom: Court reporter: Minutes Clerk: Sandra Rasor Tape Number: 1
	DCHH	OPPELT	Hearing result for Motion scheduled on 12/20/2013 10:30 AM: District Court Hearing Held Court Reporter: None Number of Transcript Pages for this hearing estimated: Re: JV, LLC's Motion to Alter/Reconsider - More Than 100 Pages
1/3/2014	FFCL	HENDRICKSO	Amended Finding and Conclusions
	ORDR	HENDRICKSO	Order Affirming Partial Summary Judgment Re: JV, LLC
1/14/2014	HRSC	OPPELT	Hearing Scheduled (Court Trial - 5 Days 05/12/2014 09:00 AM) In Bonner County
		OPPELT	Amended Notice Of Trial
1/21/2014	NSSC	HENDRICKSO	Notice of Substitution of Handling Attorney

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User	Judge
1/21/2014	APER	HENDRICKSO	Defendant: North Idaho Resorts LLC, an Idaho limited liability Appearance Susan P. Weeks
1/23/2014	MOTN	HENDRICKSO	Plaintiff's Motion for Enlargement of Time for Filing of Affidavit in Support of Memorandum of Attorney's Fees and Costs as to Defendant JV, LLC
	MEMO	HENDRICKSO	Plaintiff's Memorandum of Attorney's Fees and Costs as to Defendant JV, LLC
1/24/2014	CINF	HENDRICKSO	Documents faxed to Judge Griffin
1/30/2014	MOTN	HENDRICKSO	JV, LLC's Motion to Deny Plaintiff's Motion for Enlargement of Time, and JV, LLC's Objection and Motion to Disallow Plaintiff's Memorandum of Attorney's Fees and Costs as Related to JV, LLC
2/7/2014	MEMO	HENDRICKSO	Plaintiff's Supplemental Memorandum of Attorney's Fees and Costs as to Defendant JV, LLC; and Reply to Opposition Submitted by JV, LLC
	AFFD	HENDRICKSO	Affidavit of John E. Miller in Support of Plaintiff's Memorandum of Attorney's Fees and Costs as to Defendant JV, LLC
2/18/2014	MOTN	OPPELT	JV, LLC's Motion to Deny Plaintiff's Supplemental Memorandum of Attorney's Fees and Costs as to Defendant, JV, LLC, and JV, LLC's Objection and Motion to Disallow Plaintiff's Supplemental Memorandum of Attorney's Fees and Costs as Related to JV, LLC
2/20/2014	REPL	OPPELT	Plaintiff's Reply to Motion and Objection Submitted by JV, LLC on February 18, 2014 Request for Telephonic Hearing
3/6/2014	NOFH	OPPELT	Notice Of Hearing
	HRSC	OPPELT	Hearing Scheduled (Motion for Attorney fees and Costs 03/26/2014 09:00 AM) (Pacific Standard Time) - To be held in Idaho County
3/7/2014	LETT	OPPELT	Letter From John E. Miller
3/18/2014		KRAMES	Miscellaneous Payment: Tape/copy Time Fee Paid by: Finney, Finney & Finney Receipt number: 0004457 Dated: 3/18/2014 Amount: \$5.00 (Check)
		KRAMES	Miscellaneous Payment: Court Tape Fee Paid by: Finney, Finney & Finney Receipt number: 0004457 Dated: 3/18/2014 Amount: \$1.25 (Check)
		KRAMES	Miscellaneous Payment: Court Tape Sales Tax Paid by: Finney, Finney & Finney Receipt number: 0004457 Dated: 3/18/2014 Amount: \$.08 (Check)

Date	Code	User	Judge
3/19/2014		HUMRICH	Miscellaneous Payment: For Making Copy Of Any File Or Record By The Clerk, Per Page Paid by: Finney, Finney & Finney Receipt number: 0004569 Dated: 3/19/2014 Amount: \$3.00 (Check)
	MOTN	HENDRICKSO	JV, LLC's Motion to Compel the Union Bank Plaintiff to Produce Docuemtns, Motion to Vacate and Continue Trial, and Request for Expedited Telephone Hearing
3/20/2014	MOTN	HENDRICKSO	JV, LLC's Supplement to Motion to Compel the Union Bank Plaintiff to Produce Documents (The Court Record of the Hearing 12-20-2013)
3/26/2014	DCHH	HENDRICKSO	Hearing result for Motion for Attorney fees and Costs scheduled on 03/26/2014 09:00 AM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: (Pacific Standard Time) - To be held in Idaho County
3/27/2014	MEMO	HENDRICKSO	Plaintiff's Memorandum in Opposition to Motion to Compel and to Vacate and Continue Trial by JV, LLC: and Motion for Proitective Order
	AFFD	HENDRICKSO	Affidavit of John E. Miller in Support of Opposition to JV, LLC's Motion to Compel and Continue Trial; and in Support of Motion For Protection Order
	MISC	HENDRICKSO	Errata Attachment to Affidavit of John E. Miller in Support of Opposition to JV, LLC's Moton to Compel and Continue Trial; and in Support of Motion for Protective Order
4/3/2014	REQU	HENDRICKSO	Plaintiff's Request for Pretrial Conference
	WITN	HENDRICKSO	Supplemental Plaintiff's Expert Witness Disclosure
	CINF	HENDRICKSO	Plaintiff's Request for Pretrial Conference faxed to Judge for review
4/7/2014	NOTC	HENDRICKSO	IRCP 30(b)(6) Notice of Taking Deposition Duces Tecum of Union Bank
4/8/2014	OBJC	HENDRICKSO	Plaintiff's Objection to North Idaho Resorts, LLC's Notice of Taking Deposition Duces Tecum of Union Bank
4/9/2014	ANSW	HENDRICKSO	Defendants Dan S. Jacobson, Sage Holdings, LLC, and Steven G. Lazar's Answer to North Idaho Resorts, LLC's Cross-Claim
4/17/2014	ORDR	HENDRICKSO	Order re: Discovery

Date	Code	User	Judge
4/22/2014	DCHH	HENDRICKSO	District Court Hearing Held Court Reporter: Christy Gering Number of Transcript Pages for this hearing estimated: Michael J Griffin
	CTLG	HENDRICKSO	Court Log- Telephonic Final Pretrial Conference Michael J Griffin
4/28/2014	CERT	HENDRICKSO	Amended Certificate of Service re: Defendant North Idaho Resort, LLC's Witness List and Exhibits List Michael J Griffin
	EXHB	HENDRICKSO	Exhibit List (Defendant North Idaho Resort, LLC) Michael J Griffin
	WITN	HENDRICKSO	Witness List (Defendant North Idaho Resort, LLC) Michael J Griffin
4/29/2014	MEMO	HENDRICKSO	JV, LLC's Pre-Trial Memorandum Witnesses and Exhibits Michael J Griffin
4/30/2014	EXHB	HENDRICKSO	JV, LLC's Amended Exhibit List Michael J Griffin
	WITN	HENDRICKSO	Defendants Dan S. Jacobson, Sage Holdings, LLC and Steven G. Lazar's Designation of Witnesses and Exhibits Michael J Griffin
	MISC	OPPELT	*****Begin File No. 8***** Michael J Griffin
5/1/2014	MOTN	OPPELT	Plaintiff's Motion in Limine for Evidence Exclusion Order Michael J Griffin
	HRSC	OPPELT	Hearing Scheduled (Motion in Limine 05/12/2014 09:00 AM) Michael J Griffin
	EXHB	HENDRICKSO	Amendment to Mailing of JV, LLC's Exhibits Michael J Griffin
	LETT	HENDRICKSO	Letter from Court to all Parties Michael J Griffin
5/5/2014	MOTN	HENDRICKSO	Motion Approving Stipulation Michael J Griffin
	CINF	HENDRICKSO	Docuemnts sent to Judge Griffin re: Motion Approving Stipulation Order Approving Stipulation Order in jo's pending no sase Original Motion to file Michael J Griffin
		HUMRICH	Miscellaneous Payment: For Making Copy Of Any File Or Record By The Clerk, Per Page Paid by: Featherston Law Firm, CHTD. Receipt number: 0007265 Dated: 5/5/2014 Amount: \$41.00 (Check) Michael J Griffin
5/6/2014	ORDR	HENDRICKSO	Order Approving Stipulation Michael J Griffin
5/7/2014	MISC	HENDRICKSO	Original deposition transcript for the depoision of Richard Villelli of North Idaho Resors, LLC Michael J Griffin
	EXHB	HENDRICKSO	Plaintiff's Exhibit List Michael J Griffin
	NOTC	HENDRICKSO	IRCP 30(b)(6) Notice of Taking deposition DUCes Tecum of Union Bank Michael J Griffin

Date	Code	User	Judge
5/8/2014		HUMRICH	Filing: I1 - Initial Appearance by persons other than the plaintiff or petitioner Paid by: Featherston Law Firm, CHTD Receipt number: 0007549 Dated: 5/8/2014 Amount: \$66.00 (Check) For: Pensco Trust Co. (defendant)
	APER	HENDRICKSO	Defendant: Pensco Trust Co. Appearance Brent Featherston
	APER	HENDRICKSO	Special Appearance on Behalf of Defendant Pensco Trust Co., CUSTodian FBO Barney NG
	MOTN	HENDRICKSO	Motion to Set Aside Default, Motion to Shorten Time and Notice of Hearing
	AFFD	HENDRICKSO	Affidavit of Counsel
	HRSC	HENDRICKSO	Hearing Scheduled (Motion to Set Aside Default 05/12/2014 09:00 AM) Defendant Pensco Trusts' Motion
	ANSW	HENDRICKSO	JV L.L.C. 'S Answer to North Idaho Resorts, LLC's Cross-Claim
	AFFD	HENDRICKSO	Affidavit of Barney NG
5/9/2014	OBJC	HENDRICKSO	JV LLC's Objection and Motionj to Set Aside the Court's Letter to Counsel, Dated April 30, 2014 and Motion to Reconsider
	REQU	HENDRICKSO	Request for Judicial Notice
5/12/2014	SUBP	HENDRICKSO	Trial Subpoena Duces Tecum - Rick Lynskey
	AFSV	HENDRICKSO	Affidavit Of Service - re: Trial Subpoena Duces Tecum served upon Rick Lynskey 5-08-2014
	REQU	HENDRICKSO	JV L.L.C. 'S Request for Clerk's Recording and Reporter's Typed Transcript of the District Court's Remarks and Rulings in Open Court on May 12, 2014 Prior to Actual Trial Commencement
	CMIN	AYERLE	Court Minutes Hearing type: Court Trial - Day 1 and Mtn Set Aside Default Hearing date: 5/12/2014 Time: 9:05 am Courtroom: Court reporter: Keith Evans Minutes Clerk: Susan Ayerle Tape Number: 1 PI Union Bank by Terrilyn Baron with John Miller Def North Idaho Resorts by Richard Villelli with Susan Weeks Brent Featherston for Def Pensco Trust

Date	Code	User	Judge
5/12/2014	DCHH	OPPELT	Hearing result for Motion to Set Aside Default scheduled on 05/12/2014 09:00 AM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Defendant Pensco Trusts' Motion - 375 Pages
	DENY	OPPELT	Hearing result for Motion to Set Aside Default scheduled on 05/12/2014 09:00 AM: Motion Denied
	HRVC	OPPELT	Hearing result for Motion in Limine scheduled on 05/12/2014 09:00 AM: Hearing Vacated - Not Addressed
	CTST	OPPELT	Hearing result for Court Trial - 5 Days scheduled on 05/12/2014 09:00 AM: Court Trial Started (in Bonner County) Day 1
	EXHB	OPPELT	Exhibit List - North Idaho Resort LLC's
	EXHB	OPPELT	Exhibit List - Union Bank, N.A.
	EXHB	OPPELT	Exhibit List - JV, LLC
5/13/2014	CMIN	AYERLE	Court Minutes Hearing type: Court Trial - Day 2 Hearing date: 5/13/2014 Time: 9:01 am Courtroom: Court reporter: Keith Evans Minutes Clerk: Susan Ayerle Tape Number: 1 Pl Union Bank by Terrilyn Baron with John Miller Def North Idaho Resorts by Richard Villelli with Susan Weeks
	DCHH	OPPELT	Hearing result for Court Trial (Day 2) scheduled on 05/13/2014 09:00 AM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Day 2 - 375 Pages
5/14/2014	CINF	HUMRICH	Clerk Information - Spoke w/ Tiffany @ Finney's regarding request for District Court transcript request. They have to go through court reporter
6/3/2014	LETT	HENDRICKSO	Letter from Court to Parties
	MISC	HENDRICKSO	Findings
6/5/2014	RUDM	HENDRICKSO	Returned/undeliverable Mail - sent to correct address / (Findings) sent to Attorney J. Miller

Date	Code	User	Judge
6/17/2014		HUMRICH	Miscellaneous Payment: For Making Copy Of Any File Or Record By The Clerk, Per Page Paid by: Sandpoint Title Insurance Receipt number: 0009962 Dated: 6/17/2014 Amount: \$5.00 (Cash)
6/19/2014	NOTC	KRAMES	Notice Of Change Of Address (John E. Miller)
6/25/2014	JDMT	CMOORE	Judgment and Decree of Foreclosure as to all Defendants (8 pages)
7/15/2014	MINE	OPPELT	Minute Entry - Regarding Clock in Date of Judgment
	ORDN	HENDRICKSO	Order Denying Attorney Fee
7/16/2014	MOTN	HENDRICKSO	Plaintiff's Motion for Enlargement of Time for Filing of Affidavit in Support of Memorandum of Attorney's Fees and Costs as to Defendant North Idaho Resorts, LLC
	MEMO	HENDRICKSO	Plaintiff's Memorandum of Attorney's Fees and Costs as to Defendant North Idaho Resorts, LLC
7/17/2014	MEMO	HENDRICKSO	Plaintiff's Supplemental Memorandum of Attorney's Fees and Costs as to Defendant North Idaho Resorts, LLC
	AFFD	HENDRICKSO	Affidavit of John E. Miller in Support of Plaintiff's Memorandum of Attorney's Fees and Costs as to Defendant North Idaho Resorts, LLC
7/18/2014	NOTC	HENDRICKSO	Notice of Change of Firm Affiliation
7/21/2014	RUDM	HENDRICKSO	Returned/undeliverable Mail - Conformed copy for Attorney J. Miller - re sent to correct address
7/23/2014	CINF	HENDRICKSO	Plaintiff's Motion for Enlargement of Time, Memorand of Attorney's Fees and Order emailed to Judge Griffin
	ORDG	HENDRICKSO	conforming copies in JO's pending. Doc's to file
		HENDRICKSO	Order for Enlargement of Time for Filing of Affidavit in Support of Memorandum of Attorney's Fees and Costs as to Defendant North Idaho Resorts, LLC
7/30/2014	MOTN	HENDRICKSO	Defendant North Idaho Resort, LLC's Motion for Enlargment of Time
	OBJC	HENDRICKSO	Objection to Memrandum of Attorney's Fees and Costs Requested By Union Bank Against North Idaho Resorts, LLC and Motion for Enlargement of Time
	MEMO	HENDRICKSO	Memorandum Supporting Objection to Memorandum of Attorney's Fees and Costs Requested by Union Bank Against North Idaho Resorts, LLC and Motion for Enlargement of Time

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User	Judge
8/5/2014	REPL	HENDRICKSO	Plaintiff's Reply to Objection Submitted by North Idaho Resorts, LLC to Plaintiff's Memorandum of Fees/Costs
8/6/2014		HUMRICH	Filing: L4 - Appeal, Civil appeal or cross-appeal to Supreme Court Paid by: Weeks, Susan P. (attorney for North Idaho Resorts LLC, an Idaho limited liability) Receipt number: 0012834 Dated: 8/6/2014 Amount: \$129.00 (Check) For: North Idaho Resorts LLC, an Idaho limited liability (defendant)
	BNDG	HUMRICH	Bond Posted - Cash (Receipt 12835 Dated 8/6/2014 for 100.00)
	BNDG	HUMRICH	Bond Posted - Cash (Receipt 12836 Dated 8/6/2014 for 200.00)
	APSC	HUMRICH	Appealed To The Supreme Court
	NOTA	HUMRICH	NOTICE OF APPEAL (North Idaho Resort)
	CHJG	HUMRICH	Change Assigned Judge
8/8/2014		HUMRICH	Filing: L4 - Appeal, Civil appeal or cross-appeal to Supreme Court Paid by: Finney, Finney & Finney, PA Receipt number: 0012981 Dated: 8/8/2014 Amount: \$129.00 (Check) For: JV L.L.C. (defendant)
	BNDG	HUMRICH	Bond Posted - Cash (Receipt 12982 Dated 8/8/2014 for 100.00)
	BNDG	HUMRICH	Bond Posted - Cash (Receipt 12984 Dated 8/8/2014 for 200.00)
	NOTA	HUMRICH	NOTICE OF APPEAL - (JV LLC)
8/13/2014	NOHG	HENDRICKSO	Notice Of Hearing re: Plaintiff's Motion for Attorney Fees and Costs as to Defendant North Idaho Resorts, LLC and all Objection to be heard telephonically on September 8, 2014 08:30am
	HRSC	HENDRICKSO	Hearing Scheduled (Motion for Attorney fees and Costs 09/08/2014 08:30 AM) Plaintiff's Motion for Attorney Fees and Costs as to Defendant North Idaho Resorts, LLC and all objections will be heard telephonically
8/26/2014	NOTA	HUMRICH	First Amended Notice of Appeal - North Idaho Resorts, Inc.
8/27/2014	STIP	HENDRICKSO	Stipulation to Continue Hearing
9/5/2014	ORDR	BOWERS	Order to Continue Plaintiff's Motion for Attorney's Fees and Costs as to Defendant North Idaho Resorts, LLC

Case: CV-2011-0000135 Current Judge: Idaho Supreme Court
 MUFG Union Bank N.A. vs. Pend Oreille Bonner Development, LLC, etal.

Date	Code	User		Judge
9/5/2014	CONT	BOWERS	Hearing result for Motion for Attorney fees and Costs scheduled on 09/08/2014 08:30 AM: Continued Plaintiff's Motion for Attorney Fees and Costs as to Defendant North Idaho Resorts, LLC and all objections will be heard telephonically	Michael J Griffin
9/8/2014	CCOA	HUMRICH	Clerk's Certificate Of Appeal	Idaho Supreme Court
9/9/2014	MOTN	HENDRICKSO	Plaintiff's Third Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name	Idaho Supreme Court
	AFFD	HENDRICKSO	Affidavit of Counsel in Support of Plaintiff's Third Motion to Amend the Caption and Reference to Plaintiff in The First Amended Complaint and Subsequent Judgment by Virtue of Name Change	Idaho Supreme Court
	NOHG	HENDRICKSO	Notice of Hearing re: Plaintiff's Third Motion to Amend Caption and Reference to Plaintiff	Idaho Supreme Court
	HRSC	HENDRICKSO	Hearing Scheduled (Motion 09/29/2014 02:30 PM) Plaintiff's Thrid Motion to Amend Caption and Reference to Plaintiff	Michael J Griffin
	NOHG	HENDRICKSO	Corrected Notice of Hearing re: Plaintiff's Third Motion to Amend Caption and Reference to Plaintiff	Idaho Supreme Court
9/10/2014	ORDG	HENDRICKSO	Order Granting Plaintiffs Request for All Interested Parties to Appear Telephonically at its Motion Calendared for Hearing on September 29, 2014 230pm	Idaho Supreme Court
	RUDM	HENDRICKSO	Returned/undeliverable Mail - Order dated 9-10-14 for Attorney Anderson - resent to the correct address	Idaho Supreme Court
9/12/2014	NOTC	HENDRICKSO	Defendant North Idaho Resort's Notice of No Objection to Plaintiff's Third Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint by Virtue of Name Change	Idaho Supreme Court
9/16/2014	MISC	HENDRICKSO	Fax cover sheet from Attorney Miller to all parties re: Hearing set for Septmeber 29, 2014	Idaho Supreme Court
9/17/2014	SCDF	HUMRICH	Supreme Court Document Filed- "ORDER CONDITIONALLY DISMISSING APPEAL"; rec'd via email from ISC	Idaho Supreme Court
9/19/2014	JDMT	HENDRICKSO	Summary Judgment as to JV, LLC Rule 54(b) Certificate	Idaho Supreme Court
	JDMT	HENDRICKSO	Judgment and Decree of Foreclosure as to North Idaho Resorts, LLC Rule 54(b) Certificate	Idaho Supreme Court
9/23/2014	OBJC	BOWERS	JV L.L.C.'s Objection to Plaintiff's Third Motion to Amend Caption and Reference To Plaintiff Based on District Court Lack of Jurisdiction	Idaho Supreme Court
9/29/2014	STMT	HENDRICKSO	Statement of No Objection	Idaho Supreme Court

Date	Code	User	Judge
9/29/2014	DCHH	HENDRICKSO	Hearing result for Motion scheduled on 09/29/2014 02:30 PM: District Court Hearing Held Court Reporter: Keith Evans Number of Transcript Pages for this hearing estimated: Parties to Appear Telephonically Plaintiff's Thrid Motion to Amend Caption and Reference to Plaintiff
	GRNT	HENDRICKSO	Hearing result for Motion scheduled on 09/29/2014 02:30 PM: Motion Granted Parties to Appear Telephonically Plaintiff's Thrid Motion to Amend Caption and Reference to Plaintiff
10/3/2014	NOFH	OPPELT	Notice Of Hearing
	HRSC	OPPELT	Hearing Scheduled (Motion for Attorney fees and Costs 10/20/2014 09:45 AM) Telephonic in Idaho County.
10/20/2014	DCHH	HENDRICKSO	Hearing result for Motion for Attorney fees and Costs scheduled on 10/20/2014 09:45 AM: District Court Hearing Held Court Reporter: none Number of Transcript Pages for this hearing estimated: Telephonic in Idaho County.
10/24/2014	ORDR	OPPELT	Order Denying Attorney Fees
	MISC	OPPELT	Findings
10/27/2014	SCDF	HUMRICH	Supreme Court Document Filed- "SECOND ORDER CONDITIONALLY DISMISSING APPEAL"
	JDMT	HENDRICKSO	Final Judgment as to JV, LLC Rule 54(b) Certificate
	CDIS	HENDRICKSO	Civil Disposition entered for: JV L.L.C., Defendant; Union Bank, National Association, Plaintiff. Filing date: 10/27/2014
10/31/2014	RUDM	OPPELT	Returned/undeliverable Mail - Findings and Order Denying Attorney Fees Sent to John Miller - Resent to Corrected Address on 11-4-14
11/3/2014		HUMRICH	Miscellaneous Payment: For Comparing And Conforming A Prepared Record, Per Page Paid by: Finney & Finney Receipt number: 0017476 Dated: 11/3/2014 Amount: \$2.00 (Check)
		HUMRICH	Miscellaneous Payment: For Certifying The Same Additional Fee For Certificate And Seal Paid by: Finney & Finney Receipt number: 0017476 Dated: 11/3/2014 Amount: \$1.00 (Check)
11/5/2014	NOTC	HENDRICKSO	JV's Notice of Obtaining Final Judgment from the District Court
11/10/2014	SCDF	HUMRICH	Supreme Court Document Filed- "JV's Notice of Obtaining Final Judgment from the District Court"; rec'd via email

Date	Code	User	Judge
11/10/2014	MISC	HUMRICH	Docket #42479-2014 - Clerk's Records due 1/12/2015
	MISC	HUMRICH	*****Begin File No. 9*****
11/17/2014	NOTA	HUMRICH	AMENDED NOTICE OF APPEAL
12/3/2014	ORDG	HENDRICKSO	Order Granting Third Motion to Amend the Caption and Reference to Plaintiff in the First Amended Complaint and Judgment by Virtue of Name Change
12/4/2014	JDMT	HENDRICKSO	Final Judgment as to Pend Oreille Bonner Development, LLC Rule 54(b) Certificate
12/5/2014	REQU	HENDRICKSO	Plaintiff's Request for Issuance of Rule 54(b) Certificate
12/8/2014	RUDM	HENDRICKSO	Returned/undeliverable Mail - re-sent to the correct address
12/11/2014	SCDF	HUMRICH	Supreme Court Document Filed- Amended Notice of Appeal (Due date remains for 1/12/2015)
12/19/2014	APPL	HENDRICKSO	Application and Affidavit for Writ of Execution -
	WRIT	HENDRICKSO	Writ of Execution - Mortgage Foreclosure - copy to file
12/24/2014		HENDRICKSO	Miscellaneous Payment: Writs Of Execution Paid by: The Law Office of John E Miller Receipt number: 0019877 Dated: 12/24/2014 Amount: \$2.00 (Check)
12/29/2014	SCDF	HUMRICH	Supreme Court Document Filed- (Docket #42467) ORDER GRANTING COURT REPORTER'S MOTION FOR EXTENSION OF TIME FOR TRANSCRIPT OVER 500 PAGES - RESET DUE DATES, DUE 2/24/2015
	SCDF	HUMRICH	Supreme Court Document Filed (Docket #42479) - ORDER GRANTING COURT REPORTER'S MOTION FOR EXTENSION OF TIME FOR TRANSCRIPT OVER 500 PAGES - RESET DUE DATES, DUE 2/24/2015
12/30/2014	SCDF	HUMRICH	Supreme Court Document Filed- Order Consolidating Appeals for Clerk's Record & Reporter's Transcript ONLY
1/5/2015	SCDF	HUMRICH	Supreme Court Document Filed- Court Reporter's Motion for time to File a Transcript Estimated to be over 500 Pages
1/8/2015	SCDF	HUMRICH	Supreme Court Document Filed- Notice of Appearance
	APER	HUMRICH	Notice of Appearance - Christopher Pooser for Union Bank, in appeal Docket #42467
	APER	HUMRICH	Plaintiff: MUFG Union Bank N.A. Appearance W Christopher Pooser

Date	Code	User	Judge
3/26/2015	BNDV	HUMRICH	Bond Converted (Transaction number 426 dated 3/26/2015 amount 265.00)
4/22/2015	SHRT	HENDRICKSO	Sheriff's Return on Writ - Returned Unsatisfied Sale was cancelled at courthouse / writ returned to court UNSATISFIED
	WRRT	HENDRICKSO	Original Writ of Execution - Mortgage Foreclosure - returned to file
	NOTC	HENDRICKSO	Notice of Levy
	NOTC	HENDRICKSO	Notice of Sheriff's Sale
4/28/2015	MOTN	HUMRICH	Motion for Extension of Time by Clerk of District Court or Administrative Agency
4/29/2015	SCDF	HUMRICH	Supreme Court Document Filed- Order Granting District Court Clerk's Motion for Extension of Time - Reset Due date 6/30/2015
5/18/2015	MISC	HUMRICH	North Idaho Resort - Balance due on clerk's records \$1473.75
	MISC	HUMRICH	JV, LLC - Balance due on clerk's records \$630.00
5/26/2015	BNDC	HUMRICH	Bond Posted - Cash (Receipt 7485 Dated 5/26/2015 for 630.00)
5/29/2015	BNDC	HUMRICH	Bond Posted - Cash (Receipt 7648 Dated 5/29/2015 for 1473.75)
6/1/2015	MISC	HUMRICH	Receipt of Appeal Records - Gwen Victors on 6/1/2015, for Gary A. Finney (JV LLC)
	CERT	HUMRICH	Certificate Of Mailing - Appeals records to parties
6/5/2015		HUMRICH	Miscellaneous Payment: For Comparing And Conforming A Prepared Record, Per Page Paid by: John Miller / AAYS, Inc. Receipt number: 0008064 Dated: 6/5/2015 Amount: \$1.50 (Check)
		HUMRICH	Miscellaneous Payment: For Certifying The Same Additional Fee For Certificate And Seal Paid by: John Miller / AAYS, Inc. Receipt number: 0008064 Dated: 6/5/2015 Amount: \$1.00 (Check)
	MISC	HUMRICH	Receipt of Appeal Records by Judy Parmer on 6/5/2015, for Susan P. Weeks (Attorney for Appellant - North Idaho Resort)
6/10/2015	DCRR	HUMRICH	Domestic Certified Mail Return Receipt tracking #7015 0640 0007 1066 2010 - Appeals Records rec'd by Christopher Pooser on 6/8/2015 (attorney for respondent)
6/29/2015	OBJC	HUMRICH	Respondent's Objection to the Clerk's Record on Appeal (certified copy to ISC)
	NOTC	HUMRICH	Notice of hearing Re Respondent's Objection to the Clerk's Record on Appeal (certified copy to ISC)

Date	Code	User		Judge
6/30/2015	HRSC	HUMRICH	Hearing Scheduled (Hearing Scheduled 07/15/2015 11:00 AM)	Gregory FitzMaurice
	CINF	HUMRICH	Docs faxed to Judge FitzMaurice - Notice of Hearing & Respondent's Objection to the Clerk's Record	Idaho Supreme Court
7/9/2015	STIP	HUMRICH	Stipulation to Settle Respondent's Objection to the Clerk's Record on Appeal (copy faxed to Judge with Order for consideration)	Idaho Supreme Court
7/13/2015	ORDR	HUMRICH	Order on Stipulation to Settle Respondent's Objection to the Clerk's Record on Appeal (Certified copy to ISC 7/15/2015)	Gregory FitzMaurice

W. Christopher Pooser, ISB No. 5525

Email: wcpooser@stoel.com

Andrea W. Reynolds, ISB No. 9525

Email: andrea.reynolds@stoel.com

STOEL RIVES LLP

101 S. Capitol Boulevard, Suite 1900

Boise, Idaho 83702

Telephone: (208) 389-9000

Fax: (208) 389-9040

2015 JUL 14 PM 1 09

CLERK OF DISTRICT COURT

DEPT. 1

Attorneys for Plaintiff/Respondent Union Bank, N.A.

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF BONNER

UNION BANK, N.A., a national banking
association

Plaintiff/Respondent,

vs.

NORTH IDAHO RESORTS, LLC, an Idaho
limited liability company,

Defendant/Appellant,

and

PEND OREILLE BONNER
DEVELOPMENT, LLC, a Nevada limited
liability company; JV L.L.C., an Idaho limited
liability company; DAN JACOBSON, an
individual; SAGE HOLDINGS LLC, an Idaho
limited liability company; TIMBERLINE
INVESTMENTS, LLC, an Idaho limited
liability company; STEVEN G. LAZAR, an
individual; AMY KORENGUT, an individual;
HLT REAL ESTATE LLC, PANHANDLE
STATE BANK, an Idaho corporation; R.E.
LOANS, LLC, a California limited liability
company; WELLS FARGO CAPITAL
FINANCE, LLC, a Delaware limited liability
company; PEND OREILLE BONNER
DEVELOPMENT HOLDINGS, INC., a

Bonner County Case No. CV-2011-00135
Supreme Court Docket Nos: 42479-2014
and 42467-2014

ORDER ON STIPULATION TO
SETTLE RESPONDENT'S
OBJECTION TO THE CLERK'S
RECORD ON APPEAL

Honorable Gregory Fitzmaurice presiding

ORDER ON STIPULATION TO SETTLE RESPONDENT'S OBJECTION TO THE
CLERK'S RECORD ON APPEAL - 1

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Nevada corporation; PENSICO TRUST CO., custodian f/b/a Barney Ng., a California corporation; MORTGAGE FUND '08 LLC, a California limited liability company; B-K LIGHTING, INC., a California corporation; FREDERICK J. GRANT, an individual; CHRISTINE GRANT, an individual; RUSS CAPITAL GROUP, LLC, an Arizona limited liability company; JOSEPH DUSSICH, an individual; MOUNTAIN WEST BANK, an Idaho corporation; STATE OF IDAHO, Department of Revenue and Taxation, MONTAHEO INVESTMENTS LLC, a Nevada Limited Liability company; TOYON INVESTMENTS LLC, a Nevada limited liability company; CHARLES W. REEVES and ANN B. REEVES, husband and wife; ACI NORTHWEST, INC., an Idaho corporation; DOES 1 through 20 inclusive,

Defendants/Respondents.

AND ASSOCIATED COUNTERCLAIMS,
CROSS-CLAIMS, AND THIRD-PARTY
COMPLAINTS.

Plaintiff/Respondent Union Bank, N.A. ("Respondent"), by and through its counsel of record, and Defendants/Appellants North Idaho Resorts, LLC and JV LLC (collectively, "Appellants"), by and through their respective counsel of record, filed a Stipulation to Settle Respondent's Objection to the Clerk's Record on Appeal on June 29, 2015. The Court has reviewed the parties' stipulation, and finding good cause to approve it, now enters the following order:

NOW, THEREFORE, IT IS HEREBY ORDERED that Respondent and Appellants' Stipulation to Settle Respondent's Objection to the Clerk's Record on Appeal shall be APPROVED by the Court;

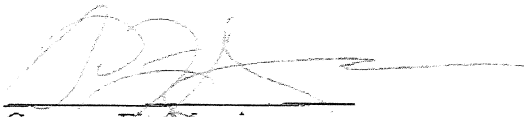
**ORDER ON STIPULATION TO SETTLE RESPONDENT'S OBJECTION TO THE
CLERK'S RECORD ON APPEAL - 2**

79422243.1 0090147-00108

Received Time Jul. 9. 2015 1:53PM No. 8209

1. Plaintiff's Memorandum in Support of Motions for Partial Summary Judgment as to Defendants North Idaho Resorts, LLC and JV, LLC: Re Reformation and Priority, filed July 1, 2013;
2. Request for Judicial Notice (Idaho Rules of Evidence, Rule 201(b), (d)), filed July 1, 2013;
3. Plaintiff's Memorandum in Opposition to Motion to Alter and Amend Order Granting Partial Summary Judgment and Motion to Reconsider by JV, LLC, filed December 16, 2013;
4. Plaintiff's Memorandum in Opposition to Motion to Compel and to Vacate and Continue Trial by JV, LLC, and Motion for Protective Order, filed March 27, 2014;
5. Affidavit of John E. Miller in Support of Opposition to JV, LLC's Motion to Compel and Continue Trial; and in Support of Motion for Protective Order, filed March 27, 2014; and
6. Errata Attachment to Affidavit of John E. Miller in Support of Opposition to JV, LLC's Motion to Compel and in Support of Motion for Protective Order, filed March 27, 2014.

DATED this 13th day of July, 2015.



Gregory Fitzmaurice
District Judge

**ORDER ON STIPULATION TO SETTLE RESPONDENT'S OBJECTION TO THE
CLERK'S RECORD ON APPEAL - 3**

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Received Time Jul. 9. 2015 1:53PM No. 8209

STATE OF IDAHO
COUNTY OF BONNER
FIRST JUDICIAL DIST.

2013 JUL 1 PM 2 52

CLERK DISTRICT COURT

DEPUTY

John E. Miller – ISB #4676
The Law Office of John E. Miller
A Professional Corporation
1424 Sherman Avenue, Suite 500
Coeur d'Alene, ID 83814
Telephone: (208) 665-9464
Facsimile: (208) 665-9176
Email: jmillerlaw@frontier.com

Attorney for Plaintiff

DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT

STATE OF IDAHO, COUNTY OF BONNER

UNION BANK, N.A.,

Plaintiff,

vs.

PEND OREILLE BONNER DEVELOPMENT,
LLC, a Nevada limited liability company, et al

Defendants.

) **CASE NO. CV 2011-0135**

)

) PLAINTIFF'S MEMORANDUM IN
) SUPPORT OF MOTIONS FOR PARTIAL
) SUMMARY JUDGMENTS AS TO
) DEFENDANTS NORTH IDAHO
) RESORTS, LLC AND JV, LLC: RE
) REFORMATION AND PRIORITY.

)

) DATE: July 29, 2013

) TIME: 9:30 am

) PLACE: JUDGE MICHAEL GRIFFIN'S
) ASSIGNED COURTROOM

)

COMES NOW, the Plaintiff, UNION BANK, N.A., by and through its attorney of
record, John E. Miller of ***The Law Office of John E. Miller, A Professional Corporation***,
and hereby submit its MEMORANDUM IN SUPPORT OF MOTIONS FOR PARTIAL

PLAINTIFF'S MEMORANDUM IN SUPPORT OF MOTIONS
FOR PARTIAL SUMMARY JUDGMENTS AS TO
DEFENDANTS NORTH IDAHO RESORTS, LLC
AND JV, LLC: RE REFORMATION AND PRIORITY

SUMMARY JUDGMENTS AS TO DEFENDANTS NORTH IDAHO RESORTS, LLC
AND JV, LLC re REFORMATION AND PRIORITY.

INTRODUCTION

In this lawsuit, UNION BANK, N.A., the successor in interest by merger and name change of the original plaintiff, Pacific Capital Bank, N.A. (sometimes “Union Bank” or “plaintiff”), seeks to judicially foreclose its mortgage on that certain real property commonly referred to as “Trestle Creek” located in Bonner County, Idaho. But for the numerous (over twenty-five as this case commenced) defendants with lien claim positions recorded in the official records of Bonner County, this action is a fairly straight forward real property secured commercial loan foreclosure. Plaintiff has resolved reformation and priority issues by judgments or stipulations with of all but two claims, North Idaho Resorts, LLC (sometimes “NI Resorts”) and JV, LLC (sometime “JV”), each claiming, by virtue of counter/cross claims senior status over all other defendants including each other and more particularly over the mortgage of Union Bank.

Reformation of the legal description contained within the subject mortgage is not disputed. All parties’ have the same scrivener’s error contained in their respective documentation and should consent to the reformation.

JV bases its claim of priority over the plaintiff’s mortgage on the unenforceability a Subordination Agreement given by JV and recorded specifically to put the plaintiff in a senior position to JV as related to the Trestle Creek real property [see Item 3 Request for Judicial Notice]. JV has admitted the existence and execution by its members of the Subordination Agreement. JV is anticipated to argue unenforceability of the Subordination Agreement. Its argument(s) will be addressed by reply briefing and briefly addressed below.

PLAINTIFF’S MEMORANDUM IN SUPPORT OF MOTIONS
FOR PARTIAL SUMMARY JUDGMENTS AS TO
DEFENDANTS NORTH IDAHO RESORTS, LLC
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NI Resorts bases its claim of priority over the plaintiff's mortgage on the archaic "vender's lien" theory. Its argument(s) will be addressed by reply briefing and briefly addressed below.

This Court should determine that as a matter of law the claims to priority of NI Resorts and JV are without merit and because there are no material facts in dispute that the secured position of Union Bank is senior in priority a Decree of Foreclosure should be issued that:

1. Based upon the scrivener's error, the legal description, Exhibit "A" to the Mortgage as set forth in the First Amended Complaint, paragraph 34, should be reformed to wit: correcting the description to "Range 1 East" as noted.
2. UB has a valid, duly perfected, secured lien upon the subject real and personal property more particularly described in the Mortgage senior to the interest of both NI Resorts and JV as evidenced by the Litigation Guarantee, a true and correct copy of which is attached as Exhibit 1 to the Affidavits of plaintiff filed contemporaneously herewith.

FACTUAL BACKGROUND

Undisputed or Indisputable Facts as to the Trestle Creek real property:

1. JV L.L.C.'s Real Estate Mortgage recorded **June 19, 2006**, as Instrument number 706470, records of Bonner County, State of Idaho. A true and correct certified copy of said Mortgage is presented by the accompanying Request for Judicial Notice. [Item 2. Request for Judicial Notice]
2. North Idaho Resorts, LLC's Memorandum of Real Property Purchase and Sale Agreement recorded **June 19, 2006**, as Instrument number 706475, records of Bonner County, State of Idaho. A true and correct certified copy of said document is

PLAINTIFF'S MEMORANDUM IN SUPPORT OF MOTIONS
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- presented by the accompanying Request for Judicial Notice. [Item 5. Request for Judicial Notice]
3. North Idaho Resorts, LLC's Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement recorded on **March 15, 2007** as Instrument number 724831, records of Bonner County, State of Idaho. A true and correct certified copy of said document is presented by the accompanying Request for Judicial Notice.¹ [Item 6. Request for Judicial Notice]
 4. Plaintiff's Commercial Mortgage, Security Agreement, and Assignment of Leases and Rents (herein the "Mortgage") was recorded **March 25, 2008**, as Instrument Nos. 748379 and 748380, records of Bonner County, State of Idaho. A true and correct certified copy of said Mortgage is presented by the accompanying Request for Judicial Notice. [Item 1. Request for Judicial Notice]
 5. JV L.L.C.'s Subordination Agreement granting priority to plaintiff recorded **August 6, 2008**, as Instrument number 706403, records of Bonner County, State of Idaho. [Item 3.] The Subordination Agreement is admitted as executed and authentic by JV. [See the responses to the Requests for Admissions attached to the Affidavit of John E. Miller submitted herewith.]
 6. An Addendum to Notice of Agreement Regarding Senior Liens recorded **August 6, 2008**, as Instrument number 706411, records of Bonner County, State of Idaho. [Item 4.]

¹ It should be noted that the legal description attached to this Partial Termination includes the legal description of the Trestle Creek real property and was recorded approximately one (1) year prior to plaintiff's recordation of its Mortgage.

7. North Idaho Resorts, LLC's re-recording of Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement recorded on **March 11, 2009** as Instrument number 768269, records of Bonner County, State of Idaho.²

AUTHORITIES AND ARGUMENT

Summary judgment is proper "if the pleadings, depositions, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." I.R.C.P. 56(c).

VENDOR'S LIEN – NI RESORTS' CLAIMS

While NI Resorts pleads seven (7) counts in its counter/cross claims, as these relate to UB, the common threshold claim is the existence of a valid and enforceable vendor's lien against all other parties. NI Resorts avers its seniority either because of reformation theories to "relate back" the reformed Partial Termination, or because the plaintiff allegedly had or should have had knowledge of NI Resorts' vendor's lien, i.e., plaintiff was not a "bona fide encumbrancer for value", or that a mutual mistake of fact shared between POBD and NI Resorts concerning the legal description contained in the Partial Termination should be construed to defeat plaintiff's intervening mortgage, or finally that by fraudulent omissions by POBD not by the plaintiff concerning the legal description contained in the Partial Termination should be construed to defeat plaintiff's intervening mortgage.

² It should be noted that this re-recording of the termination of NI Resort's interest in the Trestle Creek property occurred TWO YEARS LATER and a approximately one year after plaintiff's intervening Mortgage was recorded; the re-recording simply removed part of the legal descriptions that had been attached to the document recorded March 15, 2007 in an attempt to retake priority or correct someone's error. Unfortunately for NI Resorts, the record reflects the intervening lien of the plaintiff a full year prior to this attempted re-recording.

PLAINTIFF'S MEMORANDUM IN SUPPORT OF MOTIONS
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NI Resorts averments fall short and should be determined as a matter of law as against this plaintiff to be without merit thereby supporting summary judgment in favor of the plaintiff.

§ 45-801. VENDOR'S LIEN

One who sells real property has a vendor's lien thereon, independent of possession, for so much of the price as remains unpaid and unsecured otherwise than by the personal obligation of the buyer.

§ 45-803. VENDOR'S LIEN - EXTENT

The liens of vendors and purchasers of real property are valid against every one claiming under the debtor, except a purchaser or encumbrancer in good faith and for value.

A vendor who gives a deed with warranty to a purchaser and allows the purchaser to obtain credit on the faith of the ownership of the property will not be allowed to claim a vendor's lien as against other creditors. (*Larschied v. Kittell*, 20 Amer. & Eng. Annot. Cases (Wis.) 576; *Ferger v. Allen*, 170 P. (Cal.) 861; Vol. 2, Jones on Liens, Sec. 1091; *Henson v. Westcott*, 82 Ill. 224.)

"The silent lien of the vendor is extinguished whenever the vendor manifests an intention to abandon or not to look to it; . . . when he looks to other security, he loses his tacit lien." (*Hunt v. Waterman*, 12 Cal. 301.)

In the case at bar it is clear from a careful review of the recorded title record as to the Trestle Creek real property that on **March 25, 2008**, the date that plaintiff recorded its Mortgage thereon, NI Resorts had, **on March 15, 2007**, informed anyone inquiring into the public record that its interest in the Trestle Creek real property claimed under its recorded Memorandum of Real Property Purchase and Sale was TERMINATED. [see Item 6. Request

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for Judicial Notice, Exhibit "A" to the Partial Termination document pages 12-16 containing the Trestle Creek descriptions] The only knowledge that plaintiff relied upon was that of the title record researched and reported by its title insurer, First American Title Company. The title company DID NOT report a NI Resorts priority interest clearly because NI Resorts had terminated any such interest. [See the Loan Policy issued to the plaintiff as of March 25, 2008 attached to the Supplemental Affidavit of Rick Lynskey] The only mortgages that appear thereon, those of JV and of R.E. Loans LLC would later be subordinated in favor of the plaintiff. If there was an "obvious error" relating to the legal descriptions attached to NI Resorts' Partial Termination recorded March 15, 2007 as alleged by NI Resorts – it was certainly not "OBVIOUS" to title researchers reporting the matters affecting the Trestle Creek property. Had plaintiff been aware of the claimed error, it most certainly would not have accepted the offered collateral.

Clearly, NI Resorts manifested an intention to abandon (terminate) its interest in the Trestle Creek real property by its March 15, 2007 recordation of its Partial Termination. NI Resorts has submitted bear allegations that the plaintiff had some other knowledge or should have known about the mistakes of others or was aware that POBD fraudulently omitted information to obtain credit secured by the Trestle Creek real property. Had plaintiff been aware of the claimed fraud by omission, it most certainly would not have accepted the offered collateral.

PLAINTIFF IS A BONA FIDE ENCUMBRANCER FOR VALUE AS TO THE TRESTLE CREEK PROPERTY.

In order to claim the protection of being a BFP, a party "must show that at the time of the purchase he paid a valuable consideration and upon the belief and

PLAINTIFF'S MEMORANDUM IN SUPPORT OF MOTIONS
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the validity of the vendor's claim of title without notice, actual or constructive, of any outstanding adverse rights of another." *Imig v. McDonald*, 77 Idaho 314, 318, 291 P.2d 852, 855 (1955). "If a district court's findings of fact are supported by substantial and competent, though conflicting, evidence, this Court will not disturb the findings." *Luce*, 142 Idaho at 269-70, 127 P.3d at 172-73.

Plaintiff has submitted by way of supporting Affidavits that it had no knowledge related to NI Resorts claimed errors and existent interest in the Trestle Creek property at the time of its extension of credit. Further the supporting Affidavit shows that plaintiff gave value, a \$5,000,000 extension of credit, in accepting the collateral described in its Mortgage, the Trestle Creek real property. It needs nothing more to support its request for partial summary judgment as to NI Resorts. As set forth by I.C. § 45-803. NI Resorts cannot circumvent the exception stated therein precluding the use of a vendor's lien. The plaintiff is a purchaser (encumbrancer) in good faith and for value. Its lien is superior to that of NI Resorts.

As to the apparent argument that NI Resorts' attempted reformation by virtue of its **March 11, 2009** re-recording of the Partial Termination that removes from the termination, inter alia, the Trestle Creek real property description, would somehow cure its terminated interest in Trestle Creek by "relating back" to its earlier recorded Partial Termination **March 15, 2007**, Idaho courts have ruled against such operation of the relation back doctrine. See *Sartain v. Fidelity Financial Services, Inc.*, 116 Idaho 269 (Idaho App. 1989), 775 P.2d 161. The Sartain court clearly holds that an intervening lienor with BFP status cannot be adversely affected by a reformation that would "relate back" to an earlier time. Here, NI Resorts asks

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this Court to undo an alleged mistake, reform its Partial Termination to delete, inter alia, the Trestle Creek real property description and thereby spring back to a senior position vis-à-vis the intervening BFP, the plaintiff. It is settled law that such a proposition will not be recognized by Idaho courts.

Without an established, valid and enforceable vendor's lien, NI Resorts' other arguments (averments in its various Counts) fail as a matter of law.

SUBORDINATION AGREEMENT – JV'S CLAIMS

By its Counterclaim JV avers that: 1. Its mortgage was recorded **June 19, 2006**, first in time first in priority, as related to the plaintiff's mortgage recorded **March 25, 2008**, a timing fact that is not in dispute; and 2. Plaintiff gave no consideration and has no enforceable right against JV.³

It is undisputed that JV executed and participated in recording the Subordination Agreement, Instrument #756403 recorded August 6, 2008, [Item 3 Request for Judicial Notice; see also the admissions contained in JV's Response to Requests for Admissions attached to the Affidavit of John E. Miller]. The clear and unambiguous terms of the Subordination Agreement in regards to JV's assertions are as follows in pertinent part:

3. Creditor hereby subordinates the lien of Creditor's Deed of Trust, but only as said lien encumbers and pertains to property described on Exhibit A hereto, to the lien of the mortgage dated March 7, 2008 and recorded March 25, 2008 as Instrument No. 748379 and 748380 (the "FNB Mortgage") to secure a loan (the "FNB Loan") which FNB has heretofore made to Borrower which FNB amount of Five Million Dollars (\$5,000,000), the proceeds of which Borrower has used to pay off the existing indebtedness of Borrower and/or Holdings, Inc. and/or to pay for the improvement and development of property encumbered by Creditor's Deed of Trust, including the property described on

³ One assumes that JV is averring that either the plaintiff gave no consideration to POBD for its loan and therefore Mortgage, OR that it gave no consideration to POBD and/or JV to obtain the Subordination Agreement [Item 3 Request for Judicial Notice].

Exhibit A and/or interest, fees, and charges payable to FNG on account of the FNB Loan.⁴

And:

9. This Agreement constitutes the entire agreement and understanding between and among the parties hereto relating to the subject matter hereof, and supersedes, all prior proposals, negotiations, agreements and understandings among the parties hereto with respect to such subject matter.

The Subordination Agreement given and recorded by JV on August 6, 2008 as Instrument No. 756403, in favor of the plaintiff's mortgage recites the consideration given, i.e., the extension of credit by the plaintiff to POBD in the sum of \$5,000,000, a loan that has been admitted by POBD. Any argument about what JV thought or believed or understood about the \$5,000,000 loan and its use by POBD that conflicts with the clear and unambiguous language of the Subordination Agreement is nothing more than inadmissible parol evidence. The Subordination is clear about the use of the loan. The Subordination is a fully integrated agreement; paragraph 9.

Interpretation of unambiguous language in a contract is a question of law. *Shawver v. Huckleberry Estates, LLC*, 140 Idaho 354 at 361. Interpretation of an ambiguous contract is a question of fact. *Id.* Whether a contract is ambiguous is a question of law. *Id.*

PAROL EVIDENCE

The common law rule has been stated: "If a written contract is complete upon its face and unambiguous, no fraud or mistake being alleged, extrinsic evidence of prior or contemporaneous negotiations or conversations is not admissible to contradict, vary, alter, add to, or detract from the terms of the contract." *Howard v. Perry*, 141 Idaho 139 (2005). See also *Valley Bank v. Christensen*, 119 Idaho 496, 498, (1991).

⁴ The reference to "FNB" is a dba description of Pacific Capital Bank. The reference to "Creditor" is to JV.

The Supreme Court reiterated in *Howard* that under the common law rule, the presence of a merger clause in a written contract conclusively establishes that the agreement is integrated and therefore subject to the parol evidence rule.

Under the parol evidence rule, when a contract has been reduced to a writing that the parties intend to be a final statement of their agreement, evidence of any prior or contemporaneous agreements or understandings which relate to the same subject matter is not admissible to vary, contradict, or enlarge the terms of the written contract. *Simons v. Simons*, 134 Idaho 824, 828, 11 P.3d 20, 24 (2000). Parol evidence, however, is admissible to establish “any fact that does not vary, alter, or contradict the terms of the instrument or the legal effect of the terms used.” 29A Am. Jur. 2d Evidence § 1106 (1994); *accord* Restatement (Second) of Contracts § 218 (1979). An integrated writing proves the terms of the contract; it does not “establish fictitious events.” Restatement (Second) of Contracts § 218 cmt. a.

CONCLUSION

For the foregoing reasons plaintiff asserts that as a matter of law plaintiff should be granted partial summary judgments against NI Resorts and JV as to reformation and establishing s mortgage as follows:

1. Based upon the scrivener’s error, the legal description, Exhibit “A” to the Mortgage as set forth in the First Amended Complaint, paragraph 34, should be reformed to wit: correcting the description to “Range 1 East” as noted.
2. UB has a valid, duly perfected, secured lien upon the subject real and personal property more particularly described in the Mortgage senior to the interest of both NI Resorts and JV as evidenced by the Litigation Guarantee, a true and correct

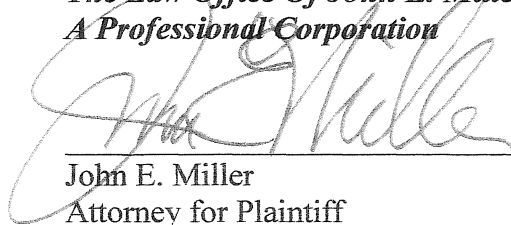
PLAINTIFF’S MEMORANDUM IN SUPPORT OF MOTIONS
FOR PARTIAL SUMMARY JUDGMENTS AS TO
DEFENDANTS NORTH IDAHO RESORTS, LLC
AND JV, LLC: RE REFORMATION AND PRIORITY

copy of which is attached as Exhibit 1 to the Affidavits of plaintiff filed contemporaneously herewith.

RESPECTFULLY SUBMITTED:

DATED this 1st day of July 2013

The Law Office Of John E. Miller
A Professional Corporation



John E. Miller
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 1st day of July 2013, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

☒ mailed postage prepaid (Express mail to Mr. Stacey)
☐ Facsimile transmitted to
☒ personal delivery to offices of all others

Bruce Anderson
ELSAESSER JARZABEK ANDERSON
ELLIOTT & MACDONALD, CHTD
320 East Neider Ave., Suite 102
Coeur d'Alene, ID 83815

Fax (208) 667-2150

R. Wayne Sweeney
Jonathon D. Hallin
LUKINS & ANNIS, P.S.
601 E. Front Ave., Suite 502
Coeur d'Alene, ID 83814

Fax (208) 666-4111

PLAINTIFF'S MEMORANDUM IN SUPPORT OF MOTIONS
FOR PARTIAL SUMMARY JUDGMENTS AS TO
DEFENDANTS NORTH IDAHO RESORTS, LLC
AND JV, LLC: RE REFORMATION AND PRIORITY

Steven C. Wetzel
Susan P. Weeks
JAMES, VERNON & WEEKS, PA
1626 Lincoln Way
Coeur d'Alene, ID 83814

Fax (208) 664-1684

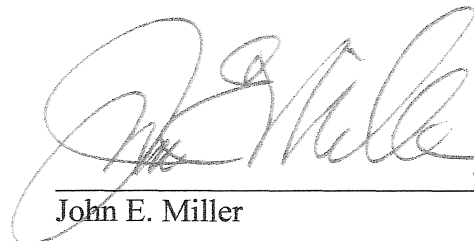
Gary A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

John A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

Rick L. Stacey
Meuleman Mollerup LLP
755 W. Front Street, Ste. 200
Boise, Idaho 83702



John E. Miller

PLAINTIFF'S MEMORANDUM IN SUPPORT OF MOTIONS
FOR PARTIAL SUMMARY JUDGMENTS AS TO
DEFENDANTS NORTH IDAHO RESORTS, LLC
AND JV, LLC: RE REFORMATION AND PRIORITY

STATE OF IDAHO
COUNTY OF BONNER
FIRST JUDICIAL DIST.

2013 JUL 1 PM 2 52

CLERK DISTRICT COURT

DEPUTY

John E. Miller – ISB #4676
The Law Office of John E. Miller
A Professional Corporation
1424 Sherman Avenue, Suite 500
Coeur d'Alene, ID 83814
Telephone: (208) 665-9464
Facsimile: (208) 665-9176
Email: jmillerlaw@frontier.com

Attorney for Plaintiff

DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT

STATE OF IDAHO, COUNTY OF BONNER

UNION BANK, N.A.,

Plaintiff,

vs.

PEND OREILLE BONNER DEVELOPMENT,
LLC, a Nevada limited liability company, et al

Defendants.

) **CASE NO. CV 2011-0135**
)
) **REQUEST FOR JUDICIAL NOTICE**
)
) **Idaho Rules of Evidence, Rule 201(b)(d),**
)
) **DATE: JULY 29, 2013**
) **TIME: 9:30 am**
) **PLACE: JUDGE MICHAEL GRIFFIN'S**
) **ASSIGNED COURTROOM**
) **BONNER COUNTY COURT**
)
)
)

TO THE COURT AND TO ALL INTERESTED PARTIES AND THEIR

ATTORNEYS OF RECORD:

REQUEST FOR JUDICIAL NOTICE
[IDAHO RULES OF EVIDENCE,
RULE 201(b)(d)]

PLEASE TAKE NOTICE that plaintiff, UNION BANK, N.A. (hereinafter "UB") in support of its Motions for Partial Summary Judgment Re Reformation and Priority, will request the Court to take judicial notice pursuant to Idaho Rules of Evidence, Rule 201(b)(d), of the following public records of the Kootenai County Recorder's Office:

1. Certified copy a UB's Commercial Mortgage, Security Agreement, and Assignment of Leases and Rents recorded **March 25, 2008**, as Instrument Nos. 748379 and 748380, records of Bonner County, State of Idaho.
2. Certified copy of JV L.L.C.'s Real Estate Mortgage recorded **June 19, 2006**, as Instrument number 706470, records of Bonner County, State of Idaho.
3. Certified copy of JV L.L.C.'s Subordination Agreement in favor of UB recorded **August 6, 2008**, as Instrument number 706403, records of Bonner County, State of Idaho.
4. Certified copy of Addendum to Notice of Agreement Regarding Senior Liens recorded **August 6, 2008**, as Instrument number 706411, records of Bonner County, State of Idaho.
5. Certified copy of North Idaho Resorts, LLC's Memorandum of Real Property Purchase and Sale Agreement recorded **June 19, 2006**, as Instrument number 706475, records of Bonner County, State of Idaho.

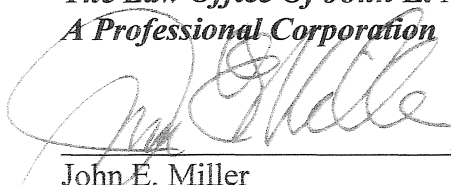
REQUEST FOR JUDICIAL NOTICE
[IDAHO RULES OF EVIDENCE,
RULE 201(b)(d)]

6. Certified copy of North Idaho Resorts, LLC's Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement recorded on **March 15, 2007** as Instrument number 724831, records of Bonner County, State of Idaho.
7. Certified copy of North Idaho Resorts, LLC's rerecording of Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement recorded on **March 11, 2009** as Instrument number 768269, records of Bonner County, State of Idaho.

True and correct copies of said documents are attached hereto for the ready reference of the parties; the original certified copies will be delivered to the Court for the hearing of this matter.

DATED this 28th day of June 2013

The Law Office Of John E. Miller
A Professional Corporation



John E. Miller
Attorney for Plaintiff

REQUEST FOR JUDICIAL NOTICE
[IDAHO RULES OF EVIDENCE,
RULE 201(b)(d)]

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 1st day of July 2013, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

☐ mailed postage prepaid (Express mail to Mr. Stacey)
☐ Facsimile transmitted to
☒ personal delivery to offices of all others

Bruce Anderson
ELSAESSER JARZABEK ANDERSON
ELLIOTT & MACDONALD, CHTD
320 East Neider Ave., Suite 102
Coeur d'Alene, ID 83815

Fax (208) 667-2150

R. Wayne Sweeney
Jonathon D. Hallin
LUKINS & ANNIS, P.S.
601 E. Front Ave., Suite 502
Coeur d'Alene, ID 83814

Fax (208) 666-4111

Steven C. Wetzel
Susan P. Weeks
JAMES, VERNON & WEEKS, PA
1626 Lincoln Way
Coeur d'Alene, ID 83814

Fax (208) 664-1684

Gary A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

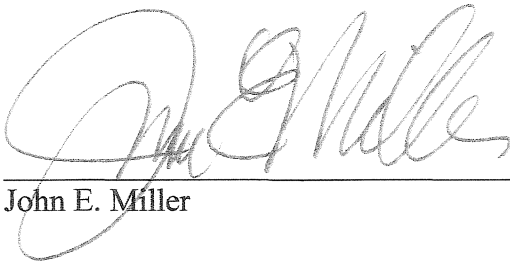
Fax (208) 263-8211

REQUEST FOR JUDICIAL NOTICE
[IDAHO RULES OF EVIDENCE,
RULE 201(b)(d)]

John A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

Rick L. Stacey
Meuleman Mollerup LLP
755 W. Front Street, Ste. 200
Boise, Idaho 83702



John E. Miller

REQUEST FOR JUDICIAL NOTICE
[IDAHO RULES OF EVIDENCE,
RULE 201(b)(d)]



RECORDING REQUESTED BY:

Pacific Capital Bank, N.A.

AND WHEN RECORDED MAIL TO

Pacific Capital Bank, N.A.

c/o Loan Services, PO Box 60654

Santa Barbara, California 93160-0654

FILED BY
First American Title

2008 MAR 25 P 2:48

MARIE SCOTT

BONNER COUNTY RECORDER

DEPUTY

FILED BY
First American Title

2008 MAR 25 P 2:49

MARIE SCOTT

BONNER COUNTY RECORDER

DEPUTY

748379 748380

SPACE ABOVE THE LINE FOR RECORDER'S USE

COMMERCIAL MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTS

This COMMERCIAL MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTS (this "Mortgage") is entered into as of **March 7, 2008**, between **Pend Oreille Bonner Development, LLC**, a Nevada limited liability company, with an address of **6900 S. McCarran Blvd., #1010, Reno, Nevada 89509** (the "Mortgagor") and Pacific Capital Bank, N.A., a national banking association, doing business as First National Bank of Central California, with an address of c/o Loan Services, PO Box 60654, Santa Barbara, California 93160-0654 (the "Bank").

The real property which is the subject matter of this Mortgage has the following address(es): **NNA, Highway 200, Sandpoint, Idaho 83864** (the "Address(es)") **RP57N01E66160A, RP57N01E213750A, RP57N01E179000A & RP57N01E166200A**.

1. MORTGAGE, OBLIGATIONS AND FUTURE ADVANCES

1.1 Mortgage. For valuable consideration paid and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor hereby irrevocably and unconditionally mortgages, grants, bargains, transfers, sells, conveys, sets over and assigns to the Bank and its successors and assigns forever, all of Mortgagor's right, title and interest in and to the "Property" described below, to secure the prompt payment and performance of the Obligations (as hereinafter defined), including without limitation, all amounts due and owing to the Bank and all obligations respecting that certain **Revolving Term Note**, dated **March 7, 2008**, by **Pend Oreille Bonner Development, LLC** in favor of the Bank in the original principal amount of **\$5,000,000.00** (the "Note"; and collectively, along with all other agreements, documents, certificates and instruments delivered in connection therewith, the "Loan Documents"), and any substitutions, modifications, extensions or amendments to any of the Loan Documents.

The amount of principal obligations outstanding and evidenced by the Loan Documents and secured by this Mortgage total **\$5,000,000.00** as of the date of this Mortgage (the "Amount"), but this Mortgage shall nevertheless secure payment and performance of all Obligations, including, without limitation, any other liabilities and future advances, direct or indirect, absolute or contingent, now existing or hereafter arising from Mortgagor to Bank.

1.2 Security Interest in Property. As continuing security for the Obligations the Mortgagor hereby pledges, assigns and grants to the Bank, and its successors and assigns, a security interest in any of the

Property (as hereinafter defined) constituting personal property or fixtures. This Mortgage is and shall be deemed to be a security agreement and financing statement pursuant to the terms of the Uniform Commercial Code of Idaho (the "Uniform Commercial Code") as to any and all personal property and fixtures and as to all such property the Bank shall have the rights and remedies of a secured party under the Uniform Commercial Code in addition to its rights hereunder. This Mortgage constitutes a financing statement filed as a fixture filing under Section 28-9-502(c) of the Uniform Commercial Code covering any Property which now is or later may become a fixture.

1.3 Collateral Assignment of Leases and Rents. The Mortgagor hereby irrevocably and unconditionally assigns to the Bank, and its successors and assigns, as collateral security for the Obligations all of the Mortgagor's rights and benefits under any and all Leases (as hereinafter defined) and any and all rents and other amounts now or hereafter owing with respect to the Leases or the use or occupancy of the Property. This collateral assignment shall be absolute and effective immediately, but the Mortgagor shall have a license, revocable by the Bank, to continue to collect rents owing under the Leases until an Event of Default (as hereinafter defined) occurs and the Bank exercises its rights and remedies to collect such rents as set forth herein.

1.4 Conditions to Grant. The Bank shall have and hold the above granted Property unto and to the use and benefit of the Bank, and its successors and assigns, forever; provided, however, the conveyances, grants and assignments contained in this Mortgage are upon the express condition that, if Mortgagor shall irrevocably pay and perform the Obligations in full, including, without limitation, all principal, interest and premium thereon and other charges, if applicable, in accordance with the terms and conditions in the Loan Documents and this Mortgage, shall pay and perform all other Obligations as set forth in this Mortgage and shall abide by and comply with each and every covenant and condition set forth herein and in the Loan Documents, the conveyances, grants and assignments contained in this Mortgage shall be appropriately released and discharged.

1.5 Property. The term "Property," as used in this Mortgage, shall mean that certain parcel of land and the fixtures, structures and improvements and all personal property constituting fixtures, as that term is defined in the Uniform Commercial Code, now or hereafter thereon located at the Address(es), as more particularly described in Exhibit A attached hereto, together with: (i) all rights now or hereafter existing, belonging, pertaining or appurtenant thereto; (ii) the following categories of assets as defined in the Uniform Commercial Code: goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts (including health-care-insurance receivables), chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, securities and all other investment property, general intangibles (including payment intangibles and software), supporting obligations and any and all proceeds of any thereof, whether now owned or hereafter acquired, that are located on or used in connection with, or that arise in whole or in part out of the Mortgagor's use of or business conducted on or respecting, the Property and any substitutions, replacements, accessions and proceeds of any of the foregoing; (iii) all judgments, awards of damages and settlements hereafter made as a result or in lieu of any Taking, as hereinafter defined; (iv) all of the rights and benefits of the Mortgagor under any present or future leases and agreements relating to the Property, including, without limitation, rents, issues and profits, or the use or occupancy thereof together with any extensions and renewals thereof, specifically excluding all duties or obligations of the Mortgagor of any kind arising thereunder (the "Leases"); and (v) all contracts, permits and licenses respecting the use, operation or maintenance of the Property.

1.6 Obligations. The term "Obligation(s)," as used in this Mortgage, shall mean without limitation all loans, advances, indebtedness, notes, liabilities, rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, forward transactions, currency swap transactions, cross-currency rate swap transactions, currency options and amounts, liquidated or unliquidated, now or hereafter owing by the Mortgagor to the Bank at any time, of each and every kind, nature and description, whether arising under this Mortgage or otherwise, and whether secured or unsecured, direct or indirect (that is, whether

the same are due directly by the Mortgagor to the Bank; or are due indirectly by the Mortgagor to the Bank as endorser, guarantor or other surety, or as obligor of obligations due third persons which have been endorsed or assigned to the Bank, or otherwise), absolute or contingent, due or to become due, now existing or hereafter contracted, including, without limitation, payment of all amounts outstanding when due pursuant to the terms of any of the Loan Documents. Said term shall also include all interest and other charges chargeable to the Mortgagor or due from the Mortgagor to the Bank from time to time and all advances, costs and expenses referred to in this Mortgage, including without limitation the costs and expenses (including reasonable attorney's fees) of enforcement of the Bank's rights hereunder or pursuant to any document or instrument executed in connection herewith.

1.7 Cross-Collateral and Future Advances. It is the express intention of the Mortgagor that this Mortgage secure payment and performance of all of the Obligations, whether now existing or hereinafter incurred by reason of future advances by the Bank or otherwise, and regardless of whether such Obligations are or were contemplated by the parties at the time of the granting of this Mortgage. Notice of the continuing grant of this Mortgage shall not be required to be stated on the face of any document evidencing any of the Obligations, nor shall such documents be required to otherwise specify that they are secured hereby.

2. REPRESENTATIONS, WARRANTIES, COVENANTS

2.1 Representations and Warranties. The Mortgagor represents and warrants that:

- (a) This Mortgage has been duly executed and delivered by the Mortgagor and is the legal, valid and binding obligation of the Mortgagor enforceable in accordance with its terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally;
- (b) The Mortgagor is the sole legal owner of the Property, holding good and marketable fee simple title to the Property, subject to no liens, encumbrances, leases, security interests or rights of others, other than as set forth in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, the Bank in connection with this Deed of Trust (the "Permitted Encumbrances");
- (c) The Mortgagor is the sole legal owner of the entire lessor's interest in Leases, if any, with full power and authority to encumber the Property in the manner set forth herein, and the Mortgagor has not executed any other assignment of Leases or any of the rights or rents arising thereunder;
- (d) As of the date hereof, there are no Hazardous Substances (as hereinafter defined) in, on or under the Property, except as disclosed in writing to and acknowledged by the Bank; and
- (e) Each Obligation is a commercial obligation and does not represent a loan used for personal, family or household purposes and is not a consumer transaction.

2.2 Recording; Further Assurances. The Mortgagor covenants that it shall, at its sole cost and expense and upon the request of the Bank, cause this Mortgage, and each amendment, modification or supplement hereto, to be recorded and filed in such manner and in such places, and shall at all times comply with all such statutes and regulations as may be required by law in order to establish, preserve and protect the interest of the Bank in the Property and the rights of the Bank under this Mortgage. Mortgagor will from time to time execute and deliver to the Bank such documents, and take or cause to be taken, all such other or further action, as the Bank may request in order to effect and confirm or vest more securely in the Bank all rights contemplated by this Mortgage (including, without limitation, to correct clerical errors) or to vest more fully in, or assure to the Bank the security interest in, the Property or to comply with applicable statute or law. To the extent permitted by applicable law, Mortgagor authorizes the Bank to file financing statements, continuation statements or amendments, and any such financing

statements, continuation statements or amendments may be filed at any time in any jurisdiction. The Bank may at any time and from time to time file financing statements, continuation statements and amendments thereto that describe the Property as defined in this Mortgage and which contain any other information required by Article 9 of the Uniform Commercial Code for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment, including whether Mortgagor is an organization, the type of organization and any organization identification number issued to Mortgagor; Mortgagor also authorizes the Bank to file financing statements describing any agricultural liens or other statutory liens held by the Bank. Mortgagor agrees to furnish any such information to the Bank promptly upon request. In addition, Mortgagor shall at any time and from time to time, take such steps as the Bank may reasonably request for the Bank (i) to obtain an acknowledgment, in form and substance satisfactory to the Bank, of any bailee having possession of any of the Property that the bailee holds such Property for the Bank, and (ii) otherwise to insure the continued perfection and priority of the Bank's security interest in any of the Property and the preservation of its rights therein. Mortgagor hereby constitutes the Bank its attorney-in-fact to execute and file all filings required or so requested for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; and such power, being coupled with an interest, shall be irrevocable until this Mortgage terminates in accordance with its terms, all Obligations are paid in full and the Property is released.

2.3 Restrictions on the Mortgagor. The Mortgagor covenants that it will not, nor will it permit any other person to, directly or indirectly, without the prior written approval of the Bank in each instance:

- (a) Sell, convey, assign, transfer, mortgage, pledge, hypothecate, lease or dispose of all or any part of any legal or beneficial interest in the Mortgagor or the Property or any part thereof or permit any of the foregoing, except as expressly permitted by the terms of this Mortgage;
- (b) Permit the use, generation, treatment, storage, release or disposition of any oil or other material or substance constituting hazardous waste or hazardous materials or substances under any applicable Federal or state law, regulation or rule ("Hazardous Substances"); or
- (c) Permit to be created or suffer to exist any mortgage, lien, security interest, attachment or other encumbrance or charge on the Property or any part thereof or interest therein (except for the Permitted Encumbrances), including, without limitation, (i) any lien arising under any Federal, state or local statute, rule, regulation or law pertaining to the release or cleanup of Hazardous Substances and (ii) any mechanics' or materialmen's lien. The Mortgagor further agrees to give the Bank prompt written notice of the imposition, or notice, of any lien referred to in this Section and to take any action necessary to secure the prompt discharge or release of the same. The Mortgagor agrees to defend its title to the Property and the Bank's interest therein against the claims of all persons and, unless the Bank requests otherwise, to appear in and diligently contest, at the Mortgagor's sole cost and expense, any action or proceeding that purports to affect the Mortgagor's title to the Property or the priority or validity of this Mortgage or the Bank's interest hereunder.

2.4 Operation of Property. The Mortgagor covenants and agrees as follows:

- (a) The Mortgagor will not permit the Property to be used for any unlawful or improper purpose, will at all times comply with all Federal, state and local laws, ordinances and regulations, and the provisions of any Lease, easement or other agreement affecting all or any part of the Property, and will obtain and maintain all governmental or other approvals relating to the Mortgagor, the Property or the use thereof, including without limitation, any applicable zoning or building codes or regulations and any laws or regulations relating to the handling, storage, release or cleanup of Hazardous Substances, and will give prompt written notice to the Bank of (i) any violation of any such law, ordinance or regulation by the Mortgagor or relating to the Property, (ii) receipt of notice from any Federal, state or local authority alleging any such violation and (iii) the presence or release on the Property of any Hazardous Substances;

- (b) The Mortgagor will at all times keep the Property insured for such losses or damage, in such amounts and by such companies as may be required by law and which the Bank may require, provided that, in any case, the Mortgagor shall maintain: (i) physical hazard insurance on an "all risks" basis in an amount not less than 100% of the full replacement cost of the Property; (ii) flood insurance if and as required by applicable Federal law and as otherwise required by the Bank; (iii) comprehensive commercial general liability insurance; (iv) rent loss and business interruption insurance; and (v) such other insurance as the Bank may require from time to time, including builder's risk insurance in the case of construction loans. All policies regarding such insurance shall be issued by companies licensed to do business in the state where the policy is issued and also in the state where the Property is located, be otherwise acceptable to the Bank, provide deductible amounts acceptable to the Bank, name the Bank as mortgagee, loss payee and additional insured, and provide that no cancellation or material modification of such policies shall occur without at least Thirty (30) days prior written notice to the Bank. Such policies shall include (i) a mortgage endorsement determined by the Bank in good faith to be equivalent to the "standard" mortgage endorsement so that the insurance, as to the interest of the Bank, shall not be invalidated by any act or neglect of the Mortgagor or the owner of the Property, any foreclosure or other proceedings or notice of sale relating to the Property, any change in the title to or ownership of the Property, or the occupation or use of the Property for purposes more hazardous than are permitted at the date of inception of such insurance policies; (ii) a replacement cost endorsement; (iii) an agreed amount endorsement; (iv) a contingent liability from operation endorsement; and (v) such other endorsements as the Bank may request. The Mortgagor will furnish to the Bank upon request such original policies, certificates of insurance or other evidence of the foregoing as are acceptable to the Bank. The terms of all insurance policies shall be such that no coinsurance provisions apply, or if a policy does contain a coinsurance provision, the Mortgagor shall insure the Property in an amount sufficient to prevent the application of the coinsurance provisions;
- (c) Mortgagor will not enter into or modify the Leases in any material respect without the prior written consent of the Bank, execute any assignment of the Leases except in favor of the Bank, or accept any rentals under any Lease for more than one month in advance and will at all times perform and fulfill every term and condition of the Leases;
- (d) Mortgagor will at all times (i) maintain complete and accurate records and books regarding the Property in accordance with generally accepted accounting principles and (ii) permit the Bank and the Bank's agents, employees and representatives, at such reasonable times as the Bank may request, to enter and inspect the Property and such books and records; and
- (e) Mortgagor will at all times keep the Property in good and first-rate repair and condition (damage from casualty not excepted) and will not commit or permit any strip, waste, impairment, deterioration or alteration of the Property or any part thereof.

2.5 Payments. The Mortgagor covenants to pay when due: all Federal, state, municipal, real property and other taxes, betterment and improvement assessments and other governmental levies, water rates, sewer charges, insurance premiums and other charges on the Property, this Mortgage or any Obligation secured hereby that could, if unpaid, result in a lien on the Property or on any interest therein. If and when requested by the Bank, the Mortgagor shall deposit from time to time with the Bank sums determined by the Bank to be sufficient to pay when due the amounts referred to in this Section. The Mortgagor shall have the right to contest any notice, lien, encumbrance, claim, tax, charge, betterment assessment or premium filed or asserted against or relating to the Property; provided that it contests the same diligently and in good faith and by proper proceedings and, at the Bank's request, provides the Bank with adequate cash security, in the Bank's reasonable judgment, against the enforcement thereof. The Mortgagor shall furnish to the Bank the receipted real estate tax bills or other evidence of payment of real estate taxes for the Property within thirty (30) days prior to the date from which interest or penalty would accrue for nonpayment thereof. The Mortgagor shall also furnish to the Bank evidence of all other payments referred to above within fifteen (15) days after written request therefor by the Bank. If Mortgagor shall fail to pay such sums, the Bank may, but shall not be obligated to, advance such sums.

Any sums so advanced by the Bank shall be added to the Obligations, shall bear interest at the highest rate specified in any note evidencing the Obligations, and shall be secured by the lien of this Mortgage.

2.6 Notices; Notice of Default. The Mortgagor will deliver to the Bank, promptly upon receipt of the same, copies of all notices or other documents it receives that affect the Property or its use, or claim that the Mortgagor is in default in the performance or observance of any of the terms hereof or that the Mortgagor or any tenant is in default of any terms of the Leases. The Mortgagor further agrees to deliver to the Bank written notice promptly upon the occurrence of any Event of Default hereunder or event that with the giving of notice or lapse of time, or both, would constitute an Event of Default hereunder.

2.7 Takings. In case of any condemnation or expropriation for public use of, or any damage by reason of the action of any public or governmental entity or authority to, all or any part of the Property (a "Taking"), or the commencement of any proceedings or negotiations that might result in a Taking, the Mortgagor shall immediately give written notice to the Bank, describing the nature and extent thereof. The Bank may, at its option, appear in any proceeding for a Taking or any negotiations relating to a Taking and the Mortgagor shall immediately give to the Bank copies of all notices, pleadings, determinations and other papers relating thereto. The Mortgagor shall in good faith and with due diligence and by proper proceedings file and prosecute its claims for any award or payment on account of any Taking. The Mortgagor shall not settle any such claim without the Bank's prior written consent. The Mortgagor shall hold any amounts received with respect to such awards or claims, by settlement, judicial decree or otherwise, in trust for the Bank and immediately pay the same to the Bank. The Mortgagor authorizes any award or settlement due in connection with a Taking to be paid directly to the Bank in amounts not exceeding the Obligations. The Bank may apply such amounts to the Obligations in such order as the Bank may determine.

2.8 Insurance Proceeds. The proceeds of any insurance resulting from any loss with respect to the Property shall be paid to the Bank and, at the option of the Bank, be applied to the Obligations in such order as the Bank may determine; provided, however, that if the Bank shall require repair of the Property, the Bank may release all or any portion of such proceeds to the Mortgagor for such purpose. Any insurance proceeds paid to the Mortgagor shall be held in trust for the Bank and promptly paid to it.

3. CERTAIN RIGHTS OF THE BANK

3.1 Legal Proceedings. The Bank shall have the right, but not the duty, to intervene or otherwise participate in any legal or equitable proceeding that, in the Bank's reasonable judgment, might affect the Property or any of the rights created or secured by this Mortgage. The Bank shall have such right whether or not there shall have occurred an Event of Default hereunder.

3.2 Appraisals/Assessments. The Bank shall have the right, at the Mortgagor's sole cost and expense, to obtain appraisals, environmental site assessments or other inspections of the portions of the Property that are real estate at such times as the Bank deems necessary or as may be required by applicable law, or its prevailing credit or underwriting policies.

3.3 Financial Statements. The Bank shall have the right, at the Mortgagor's sole cost and expense, to require delivery of financial statements in form and substance acceptable to the Bank from the Mortgagor or any guarantor of any of the Obligations and the Mortgagor hereby agrees to deliver such financial statements and/or cause any such guarantor to so deliver any such financial statement when required by the Bank.

3.4 Leases and Rent Roll. The Mortgagor shall deliver to the Bank (i) during each calendar year and at such other times as the Bank shall request a rent roll for the Property, in form acceptable to the Bank, listing all tenants and occupants and describing all of the Leases; and (ii) at such times as the Bank shall request executed copies of all the Leases.

4. DEFAULTS AND REMEDIES

4.1 Events of Default. Event of Default shall mean the occurrence of any one or more of the following events:

- (a) default of any liability, obligation, covenant or undertaking of the Mortgagor or any guarantor of the Obligations to the Bank, hereunder or otherwise, including, without limitation, failure to pay in full and when due any installment of principal or interest or default of the Mortgagor or any guarantor of the Obligations under any other Loan Document or any other agreement with the Bank continuing for 10 days with respect to the payment of money or continuing for 30 days with respect to any other default;
- (b) failure by the Mortgagor or any guarantor of the Obligations to perform, observe or comply with any of the covenants, agreements, terms or conditions set forth in this Mortgage or the Loan Documents continuing for 30 days;
- (c) the (i) occurrence of any material loss, theft, damage or destruction of, or (ii) issuance or making of any levy, seizure, attachment, execution or similar process on a material portion of the Property;
- (d) failure of the Mortgagor or any guarantor of the Obligations to maintain aggregate collateral security value satisfactory to the Bank continuing for 30 days;
- (e) default of any material liability, obligation or undertaking of the Mortgagor or any guarantor of the Obligations to any other party continuing for 30 days;
- (f) if any statement, representation or warranty heretofore, now or hereafter made by the Mortgagor or any guarantor of the Obligations in connection with this Mortgage or in any supporting financial statement of the Mortgagor or any guarantor of the Obligations shall be determined by the Bank to have been false or misleading in any material respect when made;
- (g) if the Mortgagor or any guarantor of the Obligations is a corporation, trust, partnership or limited liability company, the liquidation, termination or dissolution of any such organization, or the merger or consolidation of such organization into another entity, or its ceasing to carry on actively its present business or the appointment of a receiver for its property;
- (h) the death of the Mortgagor or any guarantor of the Obligations and, if the Mortgagor or any guarantor of the Obligations is a partnership or limited liability company, the death of any partner or member;
- (i) the institution by or against the Mortgagor or any guarantor of the Obligations of any proceedings under the Bankruptcy Code 11 USC §101 *et seq.* or any other law in which the Mortgagor or any guarantor of the Obligations is alleged to be insolvent or unable to pay its debts as they mature, or the making by the Mortgagor or any guarantor of the Obligations of an assignment for the benefit of creditors or the granting by the Mortgagor or any guarantor of the Obligations of a trust mortgage for the benefit of creditors;
- (j) the service upon the Bank of a writ in which the Bank is named as trustee of the Mortgagor or any guarantor of the Obligations;
- (k) a judgment or judgments for the payment of money shall be rendered against the Mortgagor or any guarantor of the Obligations, and any such judgment shall remain unsatisfied and in effect for any period of thirty (30) consecutive days without a stay of execution;

- (l) any levy, lien (including mechanics lien), seizure, attachment, execution or similar process shall be issued or levied on any of the property of the Mortgagor or any guarantor of the Obligations;
- (m) the termination or revocation of any guaranty of the Obligations; or
- (n) the occurrence of such a change in the condition or affairs (financial or otherwise) of the Mortgagor or any guarantor of the Obligations, or the occurrence of any other event or circumstance, such that the Bank, in its sole discretion, deems that it is insecure or that the prospects for timely or full payment or performance of any obligation of the Mortgagor or any guarantor of the Obligations to the Bank has been or may be impaired.

4.2 Remedies. On the occurrence of any Event of Default the Bank may, at any time thereafter, at its option and, to the extent permitted by applicable law, without notice, exercise any or all of the following remedies:

- (a) Declare the Obligations due and payable, and the Obligations shall thereupon become immediately due and payable, without presentment, protest, demand or notice of any kind, all of which are hereby expressly waived by the Mortgagor except for Obligations due and payable on demand, which shall be due and payable on demand whether or not an event of default has occurred hereunder;
- (b) Enter, take possession of, manage and operate the Property (including all personal property and all records and documents pertaining thereto) and any part thereof and exclude the Mortgagor therefrom, take all actions it deems necessary or proper to preserve the Property and operate the Property as a mortgagee in possession with all the powers as could be exercised by a receiver or as otherwise provided herein or by applicable law; provided, however, the entry by the Bank upon the Property for any reason shall not cause the Bank to be a mortgagee in possession, except upon the express written declaration of the Bank;
- (c) With or without taking possession, receive and collect all rents, income, issues and profits ("Rents") from the Property (including all real estate and personal property and whether past due or thereafter accruing), including as may arise under the Leases, and the Mortgagor appoints the Bank as its true and lawful attorney with the power for the Bank in its own name and capacity to demand and collect Rents and take any action that the Mortgagor is authorized to take under the Leases. The Bank shall (after payment of all costs and expenses incurred) apply any Rents received by it to the Obligations in such order as the Bank determines, or in accordance with any applicable statute, and the Mortgagor agrees that exercise of such rights and disposition of such funds shall not be deemed to cure any default or constitute a waiver of any foreclosure once commenced nor preclude the later commencement of foreclosure for breach thereof. The Bank shall be liable to account only for such Rents actually received by the Bank. Lessees under the Leases are hereby authorized and directed, following notice from the Bank, to pay all amounts due the Mortgagor under the Leases to the Bank, whereupon such lessees shall be relieved of any and all duty and obligation to the Mortgagor with respect to such payments so made;
- (d) In addition to any other remedies, to sell the Property or any part thereof or interest therein at public auction on terms and conditions as the Bank may determine, or otherwise foreclose this Mortgage in any manner permitted by law, and upon such sale the Mortgagor shall execute and deliver such instruments as the Bank may request in order to convey and transfer all of the Mortgagor's interest in the Property, and the same shall operate to divest all rights, title and interest of the Mortgagor in and to the Property. In the event this Mortgage shall include more than one parcel of property or subdivision (each hereinafter called a "portion"), the Bank shall, in its sole and exclusive discretion and to the extent permitted by applicable law, be empowered to foreclose upon any such portion without impairing its right to foreclose

subsequently upon any other portion or the entirety of the Property from time to time thereafter. In addition, the Bank may in its discretion subordinate this Mortgage to one or more Leases for the sole purpose of preserving any such Lease in the event of a foreclosure;

- (e) Cause one or more environmental assessments to be taken, arrange for the cleanup of any Hazardous Substances or otherwise cure the Mortgagor's failure to comply with any statute, regulation or ordinance relating to the presence or cleanup of Hazardous Substances, and the Mortgagor shall provide the Bank or its agents with access to the Property for such purposes; provided that the exercise of any of such remedies shall not be deemed to have relieved the Mortgagor from any responsibility therefor or given the Bank "control" over the Property or cause the Bank to be considered to be a mortgagee in possession, "owner" or "operator" of the Property for purposes of any applicable law, rule or regulation pertaining to Hazardous Substances; and
- (f) Take such other actions or proceedings as the Bank deems necessary or advisable to protect its interest in the Property and ensure payment and performance of the Obligations, including, without limitation, appointment of a receiver (and the Mortgagor hereby waives any right to object to such appointment) and exercise of any of the Bank's remedies provided herein or in any other document evidencing, securing or relating to any of the Obligations or available to a secured party under the Uniform Commercial Code or under other applicable law.

In addition, the Bank shall have all other remedies provided by applicable law, including, without limitation, the right to pursue a judicial sale of the Property or any portion thereof by deed, assignment or otherwise.

The Mortgagor agrees and acknowledges that the acceptance by the Bank of any payments from either the Mortgagor or any guarantor after the occurrence of any Event of Default, the exercise by the Bank of any remedy set forth herein or the commencement, discontinuance or abandonment of foreclosure proceedings against the Property shall not waive the Bank's subsequent or concurrent right to foreclose or operate as a bar or estoppel to the exercise of any other rights or remedies of the Bank. The Mortgagor agrees and acknowledges that the Bank, by making payments or incurring costs described herein, shall be subrogated to any right of the Mortgagor to seek reimbursement from any third parties, including, without limitation, any predecessor in interest to the Mortgagor's title or other party who may be responsible under any law, regulation or ordinance relating to the presence or cleanup of Hazardous Substances.

4.3 Advances. If the Mortgagor fails to pay or perform any of its obligations respecting the Property, the Bank may in its sole discretion do so without waiving or releasing Mortgagor from any such obligation. Any such payments may include, but are not limited to, payments for taxes, assessments and other governmental levies, water rates, insurance premiums, maintenance, repairs or improvements constituting part of the Property. Any amounts paid by the Bank hereunder shall be, until reimbursed by the Mortgagor, part of the Obligations and secured by this Mortgage, and shall be due and payable to the Bank, on demand, together with interest thereon to the extent permitted by applicable law, at the highest rate permitted under any of the notes evidencing the Obligations.

4.4 Cumulative Rights and Remedies. All of the foregoing rights, remedies and options (including without limitation the right to enter and take possession of the Property, the right to manage and operate the same, and the right to collect Rents, in each case whether by a receiver or otherwise) are cumulative and in addition to any rights the Bank might otherwise have, whether at law or by agreement, and may be exercised separately or concurrently and none of which shall be exclusive of any other. The Mortgagor further agrees that the Bank may exercise any or all of its rights or remedies set forth herein without having to pay the Mortgagor any sums for use or occupancy of the Property.

4.5 Mortgagor's Waiver of Certain Rights. To the extent permitted by applicable law, the Mortgagor hereby waives the benefit of all present and future laws (i) providing for any appraisal before sale of all or

any portion of the Property or (ii) in any way extending the time for the enforcement of the collection of the Obligations or creating or extending a period of redemption from any sale made hereunder.

5. MISCELLANEOUS

5.1 Costs and Expenses. To the extent permitted by applicable law, the Mortgagor shall pay to the Bank, on demand, all reasonable expenses (including attorneys' fees and expenses and reasonable consulting, accounting, appraisal, brokerage and similar professional fees and charges) incurred by the Bank in connection with the Bank's interpretation, recordation of this Mortgage, exercise, preservation or enforcement of any of its rights, remedies and options set forth in this Mortgage and in connection with any litigation, proceeding or dispute whether arising hereunder or otherwise relating to the Obligations, together with interest thereon to the extent permitted by applicable law; until paid in full by the Mortgagor at the highest rate set forth in any of the notes evidencing the Obligations. Any amounts owed by the Mortgagor hereunder shall be, until paid, part of the Obligations and secured by this Mortgage, and the Bank shall be entitled, to the extent permitted by law, to receive and retain such amounts in any action for a deficiency against or redemption by the Mortgagor, or any accounting for the proceeds of a foreclosure sale or of insurance proceeds.

5.2 Indemnification Regarding Leases. The Mortgagor hereby agrees to defend, and does hereby indemnify and hold the Bank and each of its directors, officers, employees, agents and attorneys (each an "Indemnitee") harmless from all losses, damages, claims, costs or expenses (including attorneys' fees and expenses) resulting from the assignment of the Leases and from all demands that may be asserted against such Indemnitees arising from any undertakings on the part of the Bank to perform any obligations under the Leases. It is understood that the assignment of the Leases shall not operate to place responsibility for the control or management of the Property upon the Bank or any Indemnitee or make them liable for performance of any of the obligations of the Mortgagor under Leases, respecting any condition of the Property or any other agreement or arrangement, written or oral, or applicable law.

5.3 Indemnification Regarding Hazardous Substances. The Mortgagor hereby agrees to defend, and does hereby indemnify and hold harmless each Indemnitee from and against any and all losses, damages, claims, costs or expenses, including, without limitation, litigation costs and attorneys' fees and expenses and fees or expenses of any environmental engineering or cleanup firm incurred by such Indemnitee and arising out of or in connection with the Property or resulting from the application of any current or future law, regulation or ordinance relating to the presence or cleanup of Hazardous Substances on or affecting the Property. The Mortgagor agrees its obligations hereunder shall be continuous and shall survive termination or discharge of this Mortgage and/or the repayment of all debts to the Bank including repayment of all Obligations.

5.4 Indemnitee's Expenses. If any Indemnitee is made a party defendant to any litigation or any claim is threatened or brought against such Indemnitee concerning this Mortgage or the Property or any part thereof or therein or concerning the construction, maintenance, operation or the occupancy or use thereof by the Mortgagor or other person or entity, then the Mortgagor shall indemnify, defend and hold each Indemnitee harmless from and against all liability by reason of said litigation or claims, including attorneys' fees and expenses incurred by such Indemnitee in connection with any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment. The within indemnification shall survive payment of the Obligations, and/or any termination, release or discharge executed by the Bank in favor of the Mortgagor.

5.5 Waivers. The Mortgagor waives notice of nonpayment, demand, presentment, protest or notice of protest of the Obligations and all other notices, consents to any renewals or extensions of time of payment thereof, and generally waives any and all suretyship defenses and defenses in the nature thereof. No delay or omission of the Bank in exercising or enforcing any of its rights, powers, privileges, remedies, immunities or discretion (all of which are hereinafter collectively referred to as "the Bank's rights and remedies") hereunder shall constitute a waiver thereof; and no waiver by the Bank of any default of the Mortgagor hereunder or of any demand shall operate as a waiver of any other default

hereunder or of any other demand. No term or provision hereof shall be waived, altered or modified except with the prior written consent of the Bank, which consent makes explicit reference to this Mortgage. Except as provided in the preceding sentence, no other agreement or transaction, of whatsoever nature, entered into between the Bank and the Mortgagor at any time (whether before, during or after the effective date or term of this Mortgage) shall be construed as a waiver, modification or limitation of any of the Bank's rights and remedies under this Mortgage (nor shall anything in this Mortgage be construed as a waiver, modification or limitation of any of the Bank's rights and remedies under any such other agreement or transaction) but all the Bank's rights and remedies not only under the provisions of this Mortgage but also under any such other agreement or transaction shall be cumulative and not alternative or exclusive, and may be exercised by the Bank at such time or times and in such order of preference as the Bank in its sole discretion may determine.

5.6 Joint and Several. If there is more than one Mortgagor, each of them shall be jointly and severally liable for payment and/or performance of all obligations secured by this Mortgage and the term "Mortgagor" shall include each as well as all of them.

5.7 Severability. If any provision of this Mortgage or portion of such provision or the application thereof to any person or circumstance shall to any extent be held invalid or unenforceable, the remainder of this Mortgage (or the remainder of such provision) and the application thereof to other persons or circumstances shall not be affected thereby.

5.8 Complete Agreement. This Mortgage and the other Loan Documents constitute the entire agreement and understanding between and among the parties hereto relating to the subject matter hereof, and supersedes all prior proposals, negotiations, agreements and understandings among the parties hereto with respect to such subject matter.

5.9 Binding Effect of Agreement. This Mortgage shall run with the land and be binding upon and inure to the benefit of the respective heirs, executors, administrators, legal representatives, successors and assigns of the parties hereto, and shall remain in full force and effect (and the Bank shall be entitled to rely thereon) until all Obligations are fully and indefeasibly paid. The Bank may transfer and assign this Mortgage and deliver any collateral to the assignee, who shall thereupon have all of the rights of the Bank; and the Bank shall then be relieved and discharged of any responsibility or liability with respect to this Mortgage and such collateral. Except as expressly provided herein or in the other Loan Documents, nothing, expressed or implied, is intended to confer upon any party, other than the parties hereto, any rights, remedies, obligations or liabilities under or by reason of this Mortgage or the other Loan Documents.

5.10 Notices. Any notices under or pursuant to this Mortgage shall be deemed duly received and effective if delivered in hand to any officer or agent of the Mortgagor or Bank, or if mailed by registered or certified mail, return receipt requested, addressed to the Mortgagor or Bank at the address set forth in this Mortgage or as any party may from time to time designate by written notice to the other party.

5.11 Governing Law. This Mortgage shall be governed by Idaho law.

5.12 Reproductions. This Mortgage and all documents which have been or may be hereinafter furnished by the Mortgagor to the Bank may be reproduced by the Bank by any photographic, photostatic, microfilm, xerographic or similar process, and any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made in the regular course of business).

5.13 Jurisdiction and Venue. The Mortgagor irrevocably submits to the nonexclusive jurisdiction of any Federal or state court sitting in California and any Federal or state court sitting in Idaho, over any suit, action or proceeding arising out of or relating to this Mortgage. The Mortgagor irrevocably waives, to the fullest extent it may effectively do so under applicable law, any objection it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim

that the same has been brought in an inconvenient forum. The Mortgagor hereby consents to process being served in any such suit, action or proceeding (i) by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to the Mortgagor's address set forth herein or such other address as has been provided in writing to the Bank and (ii) in any other manner permitted by law, and agrees that such service shall in every respect be deemed effective service upon the Mortgagor.

5.14 Arbitration. THE PARTIES AGREE TO ATTEMPT IN GOOD FAITH TO RESOLVE ANY DISPUTES WHICH MAY ARISE AMONG THEM IN CONNECTION WITH THE INTERPRETATION OR ENFORCEMENT OF THE PROVISIONS OF THIS AGREEMENT, OR THE APPLICATION OR VALIDITY THEREOF. IN THE EVENT THAT ANY DISPUTE CANNOT BE SO RESOLVED, AND UNLESS THE RELIEF SOUGHT REQUIRES THE EXERCISE OF THE EQUITY POWERS OF A COURT OF COMPETENT JURISDICTION, SUCH DISPUTE SHALL BE SUBMITTED TO ARBITRATION. SUCH ARBITRATION PROCEEDINGS SHALL BE HELD IN THE COUNTY OF SANTA BARBARA, CALIFORNIA, IN ACCORDANCE WITH THE ARBITRATION PROVISIONS OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. THIS AGREEMENT TO ARBITRATE SHALL BE SPECIFICALLY ENFORCEABLE. ANY AWARD RENDERED IN ANY SUCH ARBITRATION PROCEEDINGS SHALL BE FINAL AND BINDING ON EACH OF THE PARTIES HERETO, AND JUDGEMENT MAY BE ENTERED THEREON IN ANY COURT OF COMPETENT JURISDICTION. THE FOREGOING AGREEMENT TO ARBITRATE DOES NOT LIMIT THE RIGHT OF ANY PARTY TO (I) FORECLOSE AGAINST REAL OR PERSONAL PROPERTY COLLATERAL; (II) EXERCISE SELF-HELP REMEDIES RELATING TO COLLATERAL OR PROCEEDS OF COLLATERAL SUCH AS SETOFF OR REPOSSESSION; OR (III) OBTAIN PROVISIONAL OR ANCILLARY REMEDIES SUCH AS REPLEVIN, INJUNCTIVE RELIEF, ATTACHMENT OR THE APPOINTMENT OF A RECEIVER, BEFORE DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING. THIS EXCLUSION DOES NOT CONSTITUTE A WAIVER OF THE RIGHT OR OBLIGATION OF ANY PARTY TO SUBMIT ANY DISPUTE TO ARBITRATION HEREUNDER, INCLUDING THOSE ARISING FROM THE EXERCISE OF THE ACTIONS DETAILED IN THE FOREGOING CLAUSES (I), (II) AND (III).

EXECUTED as of the date first above written.

Mortgagor:

Pend Oreille Bonner Development, LLC

By: Pend Oreille Bonner Development Holdings, Inc.,
Manager

By: 
Charles W. Reeves, President

STATE OF IDAHO)

) SS

COUNTY OF BONNER)

On MARCH 21, 2008 before me, BETTY J. FALETTIO, personally appeared Charles W. Reeves, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Betty J. Falettio

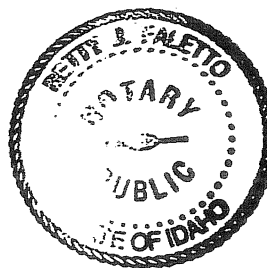


EXHIBIT "A"

Property Description

Real property in the County of Bonner, State of Idaho, described as follows:

PARCEL 1:

That portion of the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East, Boise Meridian, lying West of the State Highway No. 200 right of way and East of the Northern Pacific Railway right of way and lying North of the North line of the following described tract:

Beginning at a point where the Section line between Sections 16 and 21, Township 57 North, Range 1 West, Boise Meridian, intersects the State Highway on the Westerly side as it now exists; thence in a Northwesterly direction along the Westerly side of said Highway, 752 feet; thence in a Southwesterly direction, 97 feet; thence in a Southeasterly direction 672 feet to the Section line between Sections 16 and 21; thence East on said Section line between said Sections 16 and 21, 104.25 feet, more or less, to the place of beginning.

Said parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, lying Southwest of the right of way of State Highway No. 200 and Northeast of the right of way of Montana Rail Link Railway, being a portion of that property described as Parcel 1 of Instrument No. 168846 and more particularly described as follows:

Commencing at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Northeasterly right of way of Montana Rail Link Railway which is South 88° 10' 56" East, 944.95 feet from the Southwest corner of Section 16; thence leaving said South line and along said right of way North 23° 38' 59" West, 672.00 feet to the true point of beginning; thence continuing along said right of way North 23° 38' 59" West, 786.99 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter; thence leaving said right of way and along said North line South 88° 43' 23" East, 241.38 feet to the Westerly right of way of State Highway No. 200; thence leaving said North line and along said right of way the following four (4) courses:

on a non-tangential curve to the right having a central angle of 01° 19' 25" (radial bearing = South 73° 15' 16" West), a radius of 768.50 feet, for an arc length of 17.75 feet (chord = South 16° 06' 41" East, 17.75 feet); thence along a line offset 50.00 feet Westerly of and parallel to a spiral curve (centerline is = 200 feet, a = 3.5, S = 7°) for a chord of South 10° 43' 01" East, 193.87 feet); thence South 08° 25' 19" East, 86.06 feet; thence on a curve to the left having a central angle of 13° 56' 48", a radius of 1482.53 feet; for an arc length of 360.87 feet (chord = South 15° 23' 43" East, 359.98 feet);

thence leaving said right of way South 44° 37' 10" West, 106.45 feet (record = "Southwesterly 97 feet") to the true point of beginning.

PARCEL 2:

That part of the Southwest quarter of the Southwest quarter in Section 16, Township 57 North, Range 1 East of the Boise Meridian, lying South and West of the Burlington Northern Inc. Railway right of way and Government Lot 5 in Section 17, Township 57 North, Range 1 East of the Boise Meridian, save and excepting therefrom:

The South 350 feet of Government Lot 5 in said Section 17, and also that part of the Southwest quarter of the Southwest quarter in said Section 16 lying Westerly of said Burlington Northern Inc. right of way as now in use and described as follows:

Beginning at the Southwest corner of said Section 16; thence North along the West Section

line 350 feet; thence East to the centerline of Trestle Creek; thence Southeasterly along said centerline to the South line of Section 16; thence West along the Section line 720 feet, more or less, to the point of beginning.

Said parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, lying Southwest of Montana Rail Link Railroad right of way and Government Lot 5 of Section 17, all in Township 57 North, Range 1 East, of the Boise Meridian, Bonner County, Idaho, being a portion of that property described as Parcel 2 of Instrument No. 168846 and more particularly described as follows:

Beginning at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Southwesterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10' 56''$ East, 834.19 feet from the Southwest corner of Section 16; thence leaving said South line and along said right of way North $23^{\circ} 38' 59''$ West, 1457.84 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter; thence leaving said right of way and along the North line of the Southwest quarter of the Southwest quarter; North $88^{\circ} 43' 23''$ West, 243.71 feet to the Northwest corner of the Southwest quarter of the Southwest quarter; thence along the North line of Government Lot 5 in Section 17, North $89^{\circ} 23' 45''$ West, 1223.84 feet to the meander line of Lake Pend Oreille, as defined by the original GLO Survey; thence leaving said North line and along said meander line the following two (2) courses:

South $52^{\circ} 55' 48''$ East, 561.00 feet; thence South $37^{\circ} 55' 48''$ East, 798.96 feet to a point on a line lying 350.00 feet North of and parallel to the South line of the Southwest quarter of the Southwest quarter of Section 16;

thence along said parallel line, South $88^{\circ} 10' 56''$ East, 281.27 feet to the West line of the said Southwest quarter of the Southwest quarter; thence continuing South $88^{\circ} 10' 56''$ East, 159.02 feet to the intersection with the centerline of Trestle Creek; thence along the centerline of Trestle Creek the following eight (8) courses:

South $52^{\circ} 54' 34''$ East, 63.58 feet; thence South $44^{\circ} 37' 26''$ East, 117.83 feet; thence South $42^{\circ} 08' 45''$ East, 77.28 feet; thence South $80^{\circ} 05' 07''$ East, 145.49 feet; thence South $55^{\circ} 15' 32''$ East, 86.34 feet thence South $46^{\circ} 56' 31''$ East, 113.98 feet; thence South $75^{\circ} 43' 10''$ East, 58.83 feet; thence South $37^{\circ} 48' 28''$ East, 27.37 feet to the intersection with the South line of the Southwest quarter of the Southwest quarter;

thence leaving said creek centerline and along said South line South $88^{\circ} 10' 56''$ East, 116.80 feet to the true point of beginning.

PARCEL 3:

A portion of the Northeast quarter of the Northwest quarter and Government Lot 1 in Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, described as follows:

Beginning at a point where the South line of the Northeast quarter of the Northwest quarter of Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, intersects the West line of the Northern Pacific Railroad Company right-of-way; thence 600 feet Northerly along said railroad right-of-way; thence West to the meander line of the lake; thence 600 feet Southerly to the South line of Lot 1 of said Section 21; thence East to the Point of Beginning.

Said parcel is now described as follows:

A tract of land situated in the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County,

Idaho, more particularly described as follows:

Beginning at the intersection of the South line of the Northeast quarter of the Northwest quarter of Section 21 and the Westerly right of way of Montana Rail Link Railroad which is South 88° 55' 48" East, 139.54 feet from the Southwest corner of said Northeast quarter of the Northwest quarter; thence leaving said South line and along said right of way the following two (2) courses:

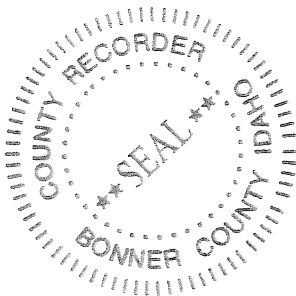
on a non-tangential curve to the left having a central angle of 10° 44' 25" (radial bearing = South 65° 01' 49" West) a radius of 2664.79 feet, for an arc length of 499.53 feet (chord = North 30° 20' 24" West, 498.80 feet); thence North 25° 10' 12" West, 100.47 feet;

thence leaving said right of way and parallel to the South line of Government Lot 1, North 88° 55' 48" West, 936.05 feet to the meander line of Lake Pend Oreille as defined in the original GLO Survey; thence along said meander line the following two (2) courses:

South 14° 25' 48" East, 271.54 feet; thence South 46° 40' 48" East, 378.00 feet to the intersection with the South line of Government Lot 1;

thence along said South line South 88° 55' 48" East, 748.52 feet to the Southeast corner of Government Lot 1; thence along the South line of the Northeast quarter of the Northwest quarter, South 88° 55' 48" East, 139.54 feet to the true point of beginning.

Commonly known as: NNA, Sandpoint, ID 83864



STATE OF IDAHO

County of Bonner

I, Marie Scott, County Recorder in and for the county and state aforesaid, do hereby certify that the foregoing instrument is a true and correct copy of the original thereof recorded in my office by instrument number 748379.
Witness my hand and seal.

the 24 day of June 20 13
MARIE SCOTT, COUNTY RECORDER

By Cynthia Brannon Deputy



FILED BY
SANDPOINT TITLE INSURANCE
2006 JUN 19 P 1:37
MARIE SCOTT
BONNER COUNTY RECORDER
DEPUTY

706470

REAL ESTATE MORTGAGE

Escrow No.: 41847-NA

For Value Received Pend Oreille Bonner Development Holdings Inc, a Nevada corporation,

the Mortgagor, does hereby Grant, Bargain, Sell and Convey unto **J.V. LLC, an Idaho Limited liability company,**

the Mortgagee, the following described premises in **Bonner County, ID,** to-wit:

See attached Exhibit "A" (AKA: the real estate referred to as Section D, Parcels 1, 2, and 3)

To have and to hold the said premises, with their appurtenances, unto the said mortgagees heirs and assigns forever.

This conveyance is a first priority lien mortgage to secure payment of the sum of **\$2,565,000.00 on the real estate attached as Exhibit "A"**

With interest, in accordance with the terms of a promissory note dated October 20, 1995, payable to the order of the mortgagee, with final payment due **June 19th 2008**, as **modified in amendment dated June 16, 2006**, and providing for acceleration of the due date of the principal for default in the payment of interest or any installment of principal, and providing for a reasonable attorney's fee in case of suit or action.

The Mortgagor covenants and agrees with the mortgagee as follows:

That he/she or they are the owner in fee simple of the above described premises and that they are free from all encumbrances.

That he/she or they will pay the indebtedness hereby secured promptly, according to the terms of said promissory note.

That he/she or they will pay all taxes, liens and assessments of any nature hereafter levied or imposed, or becoming payable, upon said premises not later than the twentieth day before delinquency.

That he/she or they will keep the buildings on said premises insured against loss or damage by fire, by an insurance company acceptable to the mortgagee with loss payable to the mortgagee as their interest may appear, in a sum not less than the outstanding balance of the indebtedness secured hereby; and deliver such policy to the mortgagee, until the sums secured by this mortgage are fully paid with interest. The mortgagee may from time to time and whenever it so desires, cause an abstract of title to be continued to the then date or procure a title report from a reputable Title Company and the mortgagor agrees to pay the cost thereof upon demand.

If the mortgagor shall fail to pay any such tax or lien, abstract or title report charge, or fail to maintain such fire insurance, the mortgagee may pay the same or procure said insurance, abstract continuation or title report and pay the cost thereof, and all payments by the mortgagee for any such purpose shall be added to the indebtedness hereby secured and shall be repayable on demand, with interest.

For the purpose of further securing said indebtedness and performance of the covenants herein contained, the mortgagor hereby sells and assigns to the mortgagee any and all rentals accruing, or to accrue on said premises, during the life of this mortgage.

Now, if the said mortgagor shall pay or cause to be paid all moneys which may become due upon said promissory note and shall otherwise comply with the terms and conditions hereof, this conveyance shall be void; but in case default shall be made in the payment of the indebtedness hereby secured, or any part thereof, principal and interest, or in any of the covenants or agreements herein contained, then the mortgagee or assigns, at his option, may declare the entire indebtedness hereby secured immediately due and payable, and foreclose this mortgage and cause said mortgaged premises to be sold in the manner provided by law, and out of the moneys arising from such sale retain principal and interest together with any sums advanced as provided herein, with interest as aforesaid, together with the costs and charges of such foreclosure suit and sale, including such sum as the court may adjudge reasonable as an attorney's fee to be allowed the plaintiff, and the overplus, if any there be, pay over to the mortgagor, heirs and assigns.

June 16, 2006

Pend Oreille Bonner Development Holdings Inc.

Charles W. Reeves
By: Charles W. Reeves, President

STATE OF IDAHO

COUNTY OF Bonner

} SS

RECORDING DATA:

On 16th day of June 2006, before me, the undersigned, a Notary Public in and for the said State, personally appeared Charles W. Reeves known or identified to me to be the President of the corporation that executed this instrument or the person/s whose executed the instrument on behalf of said corporation and acknowledged to me that said corporation executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my seal the day and year in this certificate first above written.

Nancy Albanese
Notary Public in and for said County and State

Residing at: Sandpoint
Commission Exp.: 1-31-11



SECTION D:

PARCEL 1:

That portion of the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East, Boise Meridian, lying West of the State Highway No. 200 right of way and East of the Northern Pacific Railway right of way; and lying North of the North line of the following described tract:

Beginning at a point where the Section line between Sections 16 and 21, Township 57 North, Range 1 West, Boise Meridian, intersects the State Highway on the Westerly side as it now exists;

thence in a Northwesterly direction along the Westerly side of said Highway, 752 feet;

thence in a Southwesterly direction, 97 feet;

thence in a Southeasterly direction, 672 feet to the Section line between Sections 16 and 21;

thence East on said Section line between said Sections 16 and 21, 104.25 feet, more or less, to the place of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, lying Southwest of the right of way of State Highway No. 200 and Northeast of the right of way of Montana Rail Link Railway; being a portion of that property described as Parcel 1 of Instrument No. 168846 and more particularly described as follows:

Commencing at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Northeasterly right of way of Montana Rail Link Railway which is South 88° 10'56" East, 944.95 feet from the Southwest corner of Section 16;

Thence leaving said South line and along said right of way North 23° 38'59" West, 672.00 feet to the true point of beginning;

Thence continuing along said right of way North 23° 38'59" West, 786.99 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter;

Thence leaving said right of way and along said North line South 88° 43'23" East, 241.38 feet to the Westerly right of way of State Highway No. 200;

Thence leaving said North line and along said right of way the following four (4) courses:

on a non-tangential curve to the right having a central angle of 01° 19'25" (radial bearing = South 73° 15'16" West), a radius of 768.50 feet, for an arc length of 17.75 feet (chord = South 16° 06'41" East, 17.75 feet);

Thence along a line offset 50.00 feet Westerly of and parallel to a spiral curve (centerline ls = 200 feet, a = 3.5, S = 7") for a chord of South 10° 43'01" East 193.87 feet);

Thence South 08° 25'19" East, 86.06 feet;

Thence on a curve to the left having a central angle of 13° 56'48", a radius of 1482.53 feet, for an arc length of 360.87 feet (chord = South 15° 23'43" East, 359.98 feet);

Thence leaving said right of way South 44° 37'10" West, 106.45 feet (record = "Southwesterly 97 feet") to the true point of beginning.

PARCEL 2:

That part of the Southwest quarter of the Southwest quarter in Section 16, Township 57 North, Range 1 East of the Boise Meridian, lying South and West of the Burlington Northern Inc. Railway right of way and Government Lot 5 in Section 17, Township 57 North, Range 1 East, of the Boise Meridian, save and excepting therefrom:

The South 350 feet of Government Lot 5 in said Section 17, and also that part of the Southwest quarter of the Southwest quarter in said Section 16 lying Westerly of said Burlington Northern Inc. right of way as now in use and described as follows:

Beginning at the Southwest corner of said Section 16;

thence North along the West Section line 350 feet;

thence East to the centerline of Trestle Creek;

thence Southeasterly along said centerline to the South line of Section 16;

thence West along the Section line 720 feet, more or less, to the point of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, lying Southwest of Montana Rail Link Railroad right of way and Government Lot 5 of Section 17, all in Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho; being a portion of that property described as Parcel 2 of Instrument No. 168846 and more particularly described as follows:

Transnation Title Insurance Company

Beginning at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Southwesterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10'56''$ East, 834.19 feet from the Southwest corner of Section 16;

Thence leaving said South line and along said right of way North $23^{\circ} 38'59''$ West, 1457.84 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter;

Thence leaving said right of way and along the North line of the Southwest quarter of the Southwest quarter, North $88^{\circ} 43'23''$ West, 243.71 feet to the Northwest corner of the Southwest quarter of the Southwest quarter;

Thence along the North line of Government Lot 5 in Section 17, North $89^{\circ} 23'45''$ West, 1223.84 feet to the meander line of Lake Pend Oreille, as defined by the original GLO Survey;

Thence leaving said North line and along said meander line the following two (2) course:

South $52^{\circ} 55'48''$ East, 561.00 feet;

Thence South $37^{\circ} 55'48''$ East, 798.96 feet to a point on a line lying 350.00 feet North of and parallel to the South line of the Southwest quarter of the Southwest quarter of Section 16;

Thence along said parallel line, South $88^{\circ} 10'56''$ East, 281.27 feet to the West line of the said Southwest quarter of the Southwest quarter;

Thence continuing South $88^{\circ} 10'56''$ East, 159.02 feet to the intersection with the centerline of Trestle Creek;

Thence along the centerline of Trestle Creek the following eight (8) courses:

South $52^{\circ} 54'34''$ East, 63.58 feet;

Thence South $44^{\circ} 37'26''$ East, 117.83 feet;

Thence South $42^{\circ} 08'45''$ East, 77.28 feet;

Thence South $80^{\circ} 05'07''$ East, 145.49 feet;

Thence South $55^{\circ} 15'32''$ East, 86.34 feet;

Thence South $46^{\circ} 56'31''$ East, 113.98 feet;

Thence South $75^{\circ} 43'10''$ East, 58.83 feet;

Thence South $37^{\circ} 48'28''$ East, 27.37 feet to the intersection with the South line of the Southwest quarter of the Southwest quarter;

Thence leaving said creek centerline and along said South line South $88^{\circ} 10'56''$ East, 116.80 feet to the true point of beginning.

PARCEL 3:

A portion of the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, described as follows:

Beginning at a point where the South line of the Northeast quarter of the Northwest quarter of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, intersects the West line of the Northern Pacific Railroad Company right of way;

 Transnation Title Insurance Company

thence 600 feet Northerly along said railroad right of way;

thence West to the meander line of lake;

thence 600 feet Southerly to the South line of Lot 1 of said Section 21;

thence East to the Point of Beginning.

SAID parcel is now described as follows:

A tract of land situated in the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the intersection of the South line of the Northeast quarter of the Northwest quarter of Section 21 and the Westerly right of way of Montana Rail Link Railroad which is South 88° 55'48" East, 139.54 feet from the Southwest corner of said Northeast quarter of the Northwest quarter;

Thence leaving said South line and along said right of way the following two (2) courses:

On a non-tangential curve to the left having a central angle of 10° 44'25" (radial bearing = South 65° 01'49" West) a radius of 2664.79 feet, for an arc length of 499.53 feet (chord = North 30° 20'24" West, 498.80 feet);

Thence North 25° 10'12" West, 100.47 feet;

Thence leaving said right of way and parallel to the South line of Government Lot 1, North 88° 55'48" West, 936.05 feet to the meander line of Lake Pend Oreille as defined in the original GLO Survey;

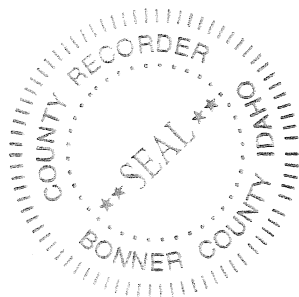
Thence along said meander line the following two (2) courses:

South 14° 25'48" East, 271.54 feet;

Thence South 46° 40'48" East, 378.00 feet to the intersection with the South line of Government Lot 1;

Thence along said South line South line South 88° 55'48" East, 748.52 feet to the Southeast corner of Government Lot 1;

Thence along the South line of the Northeast quarter of the Northwest quarter, South 88° 55'48" East, 139.54 feet to the true point of beginning.



STATE OF IDAHO

County of Bonner

I, Marie Scott, County Recorder in and for the county and state aforesaid, do hereby certify that the foregoing instrument is a true and correct copy of the original thereof recorded in my office by instrument number 706470.
Witness my hand and seal.

the 24 day of June, 2013
MARIE SCOTT, COUNTY RECORDER

By Cynthia Brannon Deputy

When recorded mail to:
Pacific Capital Bank, N.A.,
c/o Loan Services
PO Box 60654
Santa Barbara, CA 93160-0654

FILED BY
First American Title
2008 AUG -6 P 3:44
2400
MARIE SCOTT
BONNER COUNTY RECORDER
CB DEPUTY

756403

Loan No.

SUBORDINATION AGREEMENT

This Subordination Agreement ("**this Agreement**") is entered into as of July 31, 2008, between J.V. LLC, an Idaho limited liability company ("**Creditor**") and Pacific Capital Bank, N.A., a national banking association, doing business as First National Bank of Central California with an address of c/o Loan Services, PO Box 60654, Santa Barbara, California 93160-0654 ("**FNB**").

For valuable consideration, receipt whereof is hereby acknowledged, and in consideration of the loans, advances, discounts, renewals or extensions now or hereafter made by FNB to or for the account of PEND OREILLE BONNER DEVELOPMENT, LLC, a Nevada limited liability company ("**Borrower**"), Creditor agrees with FNB as follows:

1. The parties acknowledge that Borrower is indebted to Creditor pursuant to an original promissory note as amended. The original promissory note (the "**Original Note**") is entitled *Secured Promissory Note* and dated October 20, 1995 in the principal amount of Two Million Two Hundred Sixty-Four Thousand Five Hundred Dollars ((2,264,500); it was made in favor of Creditor by Richard Villelli *et al.* (collectively "**Villelli**"). The Original Note has been amended (i) by an instrument (the "**First Amendment**") entitled *Agreement to Release Right of First Refusal Upon Payment, Agreement for Payment On Profit Sharing Agreement and To Release Upon Payment, and Modifications to Promissory Note and Real Estate Mortgage* executed on February 7, 2005 by Villelli and Creditor, (ii) by an instrument (the "**Second Amendment**") entitled *Amendment of Promissory Note* dated as of June 19, 2006 and executed by Creditor and Pend Oreille Bonner Development Holdings, Inc., a Nevada corporation ("**Holdings, Inc.**"); and (iii) and by an instrument (the "**Third Amendment**") entitled *Third Amendment to Promissory Note* dated as of March __, 2008 and executed by Creditor and Holdings, Inc. As used in this Amendment, the term "**Creditor's Note**" shall mean the Original Note as amended by the First Amendment, the Second Amendment and the Third Amendment.

2. Creditor's Note is presently secured by an instrument ("**Creditor's Deed of Trust**") entitled *Real Estate Mortgage* dated June 16, 2006, executed by Holdings, Inc. and recorded on June 19, 2006 in the Office of the Recorder of Bonner County, Idaho as Instrument No. 706470. Creditor's Deed of Trust encumbers the property described on **Exhibit A** hereto in addition to other property.

3. Creditor hereby subordinates the lien of Creditor's Deed of Trust, but only as said lien encumbers and pertains to the property described on Exhibit A hereto, to the lien of the mortgage dated March 7, 2008 and recorded March 25, 2008 as Instrument No. 748379 and 748380 (the "FNB Mortgage") to secure a loan (the "FNB Loan") which FNB has heretofore made to Borrower which FNB amount of Five Million Dollars (\$5,000,000), the proceeds of which Borrower has used to pay off the existing indebtedness of Borrower and/or Holdings, Inc. and/or to pay for the improvement and development of property encumbered by Creditor's Deed of Trust, including the property described on Exhibit A and/or interest, fees, and charges payable to FNB on account of the FNB Loan. JB

4. In order to carry out the terms and the intent of this Agreement more effectively, Creditor will do all acts and execute all further instruments necessary or convenient to preserve for FNB the benefit of this Subordination Agreement.

5. No waiver shall be deemed to be made by FNB of any of its rights hereunder unless the same shall be in writing and shall be a waiver only with respect to the specific instance involved; and it shall in no way impair FNB's rights or the Creditor's obligations to it in any other respect or any other time. This Agreement incorporates all discussions and negotiations between Creditor and FNB concerning the subordination provided by the Creditor hereby, and no such discussions or negotiations shall limit, modify or otherwise affect the provisions hereof, and no provision hereof may be altered, amended, waived, canceled or modified, except by a written instrument executed by a duly authorized officer of FNB.

6. Without the prior written consent of Creditor, Borrower and FNB shall not increase the amount of the indebtedness owed by Borrower to FNB pursuant to the FNB Loan or otherwise modify, in any respect whatsoever, the terms of any such indebtedness., FNB may, however, FNB, without any need for Creditor's consent, grant extensions of the time of payment or performance to and make compromises, including releases of collateral or guaranties, and settlements with Borrower and all other persons, in each case without the consent of Creditor or Borrower and without affecting the agreements of Creditor or Borrower contained in this Agreement. Nothing contained in this paragraph shall constitute a waiver of the right of Borrower itself to agree or consent to a settlement or compromise of a claim which FNB may have against Borrower. JB

7. All notices and other communications under or pursuant to this Agreement shall be by registered or certified mail, return receipt requested, addressed to Creditor, Borrower or FNB at the address set forth in this Agreement or as any party may from time to time designate by written notice to any other party.

8. If any warranty herein contained shall prove to have been materially false when made or in the event of a breach by Borrower or Creditor in the performance of any of their respective obligations hereunder, FNB may, at its option, declare all obligations of Borrower to FNB to be forthwith due and payable, without presentment, demand, protest or notice of any kind, notwithstanding any time or credit otherwise allowed.

9. This Agreement constitutes the entire agreement and understanding between and

among the parties hereto relating to the subject matter hereof, and supersedes, all prior proposals, negotiations, agreements and understandings among the parties hereto with respect to such subject matter.

10. This Agreement shall bind on and shall inure to the benefit of the parties and their heirs, successors, assigns and legal representatives, and shall be governed by and construed in conformity with the laws of California. Except as expressly provided herein, nothing, expressed or implied, is intended to confer upon any party, other than the parties hereto, any rights, remedies, obligations or liabilities under or by reason of this agreement.

11. This Agreement may be executed in counterparts, each of which shall be deemed an original, and said collective counterparts shall together constitute one agreement, binding all of the parties, notwithstanding that all of the parties are not signatory to the same counterparts. For all purposes, including, without limitation, recordation, filing, and delivery, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages may be assembled as one document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Pacific Capital Bank, N.A.

By: _____

Name: Niraj Maharaj

Title: Senior Relationship Manager

J.V. LLC, an Idaho limited liability company

By: James W. Berry

James W. Berry, Member

By: Hidden Lakes Ltd Partnership, Member

By: William A. Berry
William A. Berry

By: Sun Mountain, Inc.. Member

By: William A. Berry
William A. Berry. President

Address for Notice

Jim Berry
P.O. Box B
Sandpoint, ID 83864

SEE NEXT PAGE FOR BORROWER'S SIGNATURE

Borrower hereby acknowledges notice of the within and foregoing subordination and agrees to be bound by all the terms, provisions and conditions thereof.

PEND OREILLE BONNER
DEVELOPMENT, LLC, a Nevada limited
liability company

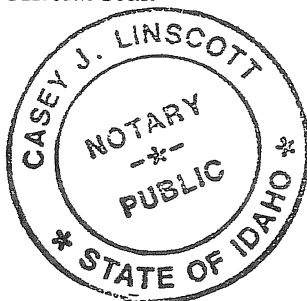
By PEND OREILLE BONNER
DEVELOPMENT HOLDING, INC., a Nevada
corporation, its managing member

By 
Charles W. Reeves, President

STATE OF Idaho)
COUNTY OF Bonner)ss.

On Aug 5, 2008, before me Casey J. Linscott, a
Notary Public in and for said State and County, personally appeared
Chuck W. Reenes, personally known to me (or proved to me on the basis of
satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

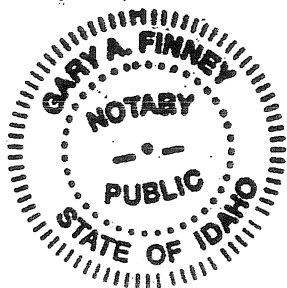
WITNESS my hand and official seal.



[Signature]
Commission Exp: 12/4/2013

STATE OF Idaho)
COUNTY OF Bonner)ss.

On Aug 1, 2008, before me Gary A Finney, a
Notary Public in and for said State and County, personally appeared
Wm & Barry & Jane W Berry, personally known to me (or proved to me on the basis
of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument for JV LLC
and Sun Mountain Inc.
WITNESS my hand and official seal.



[Signature]
Commission Exp. 10/14/2011

EXHIBIT A

Treadle Creek (Ganga Ferry)

PARCEL 1:

That portion of the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East, Boise Meridian, lying West of the State Highway No. 200 right of way and East of the Northern Pacific Railway right of way and lying North of the North line of the following described tract:

Beginning at a point where the Section line between Sections 16 and 21, Township 57 North, Range 1 West, Boise Meridian, intersects the State Highway on the Westerly side as it now exists; thence in a Northwesterly direction along the Westerly side of said Highway, 752 feet; thence in a Southwesterly direction, 97 feet; thence in a Southeasterly direction 672 feet to the Section line between Sections 16 and 21; thence East on said Section line between said Sections 16 and 21, 104.25 feet, more or less, to the place of beginning.

Said parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, lying Southwest of the right of way of State Highway No. 200 and Northeast of the right of way of Montana Rail Link Railway, being a portion of that property described as Parcel 1 of Instrument No. 168846 and more particularly described as follows:

Commencing at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Northeasterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10' 56''$ East, 944.95 feet from the Southwest corner of Section 16; thence leaving said South line and along said right of way North $23^{\circ} 38' 59''$ West, 672.00 feet to the true point of beginning; thence continuing along said right of way North $23^{\circ} 38' 59''$ West, 786.99 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter; thence leaving said right of way and along said North line South $88^{\circ} 43' 23''$ East, 241.38 feet to the Westerly right of way of State Highway No. 200; thence leaving said North line and along said right of way the following four (4) courses:

on a non-tangential curve to the right having a central angle of $01^{\circ} 19' 25''$ (radial bearing = South $73^{\circ} 15' 16''$ West), a radius of 768.50 feet, for an arc length of 17.75 feet (chord = South $16^{\circ} 06' 41''$ East, 17.75 feet); thence along a line offset 50.00 feet Westerly of and parallel to a spiral curve (centerline is = 200 feet, $a = 3.5$, $S = 7^{\circ}$) for a chord of South $10^{\circ} 43' 01''$ East, 193.87 feet); thence South $08^{\circ} 25' 19''$ East, 86.06 feet; thence on a curve to the left having a central angle of $13^{\circ} 56' 48''$, a radius of 1482.53 feet, for an arc length of 360.87 feet (chord = South $15^{\circ} 23' 43''$ East, 359.98 feet);

thence leaving said right of way South $44^{\circ} 37' 10''$ West, 106.45 feet (record = "Southwesterly 97 feet") to the true point of beginning.

PARCEL 2:

Trestle Creek (Gary Jones)

That part of the Southwest quarter of the Southwest quarter in Section 16, Township 57 North, Range 1 East of the Boise Meridian, lying South and West of the Burlington Northern Inc. Railway right of way and Government Lot 5 in Section 17, Township 57 North, Range 1 East of the Boise Meridian, save and excepting therefrom:

The South 350 feet of Government Lot 5 in said Section 17, and also that part of the Southwest quarter of the Southwest quarter in said Section 16 lying Westerly of said Burlington Northern Inc. right of way as now in use and described as follows:

Beginning at the Southwest corner of said Section 16; thence North along the West Section line 350 feet; thence East to the centerline of Trestle Creek; thence Southeasterly along said centerline to the South line of Section 16; thence West along the Section line 720 feet, more or less, to the point of beginning.

Said parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, lying Southwest of Montana Rail Link Railroad right of way and Government Lot 5 of Section 17, all in Township 57 North, Range 1 East, of the Boise Meridian, Bonner County, Idaho, being a portion of that property described as Parcel 2 of Instrument No. 168846 and more particularly described as follows:

Beginning at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Southwesterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10' 56''$ East, 834.19 feet from the Southwest corner of Section 16; thence leaving said South line and along said right of way North $23^{\circ} 38' 59''$ West, 1457.84 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter; thence leaving said right of way and along the North line of the Southwest quarter of the Southwest quarter, North $88^{\circ} 43' 23''$ West, 243.71 feet to the Northwest corner of the Southwest quarter of the Southwest quarter; thence along the North line of Government Lot 5 in Section 17, North $89^{\circ} 23' 45''$ West, 1223.84 feet to the meander line of Lake Pend Oreille, as defined by the original GLO Survey; thence leaving said North line and along said meander line the following two (2) courses:

South $52^{\circ} 55' 48''$ East, 561.00 feet; thence South $37^{\circ} 55' 48''$ East, 798.96 feet to a point on a line lying 350.00 feet North of and parallel to the South line of the Southwest quarter of the Southwest quarter of Section 16;

thence along said parallel line, South $88^{\circ} 10' 56''$ East, 281.27 feet to the West line of the said Southwest quarter of the Southwest quarter; thence continuing South $88^{\circ} 10' 56''$ East, 159.02 feet to the intersection with the centerline of Trestle Creek; thence along the centerline of Trestle Creek the following eight (8) courses:

South $52^{\circ} 54' 34''$ East, 63.58 feet; thence South $44^{\circ} 37' 26''$ East, 117.83 feet; thence South $42^{\circ} 08' 45''$ East, 77.28 feet; thence South $80^{\circ} 05' 07''$ East, 145.49 feet; thence South $55^{\circ} 15' 32''$ East, 86.34 feet thence South $46^{\circ} 56' 31''$ East, 113.98 feet; thence South $75^{\circ} 43' 10''$ East, 58.83 feet; thence South $37^{\circ} 48' 28''$ East, 27.37 feet to the intersection with the South line

of the Southwest quarter of the Southwest quarter;

thence leaving said creek centerline and along said South line South $88^{\circ} 10' 56''$ East, 116.80 feet to the true point of beginning.

PARCEL 3: (*Gary & Julie, Truth Creek*)

A portion of the Northeast quarter of the Northwest quarter and Government Lot 1 in Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, described as follows:

Beginning at a point where the South line of the Northeast quarter of the Northwest quarter of Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, intersects the West line of the Northern Pacific Railroad Company right-of-way; thence 600 feet Northerly along said railroad right-of-way; thence West to the meander line of the lake; thence 600 feet Southerly to the the South line of Lot 1 of said Section 21; thence East to the Point of Beginning.

Said parcel is now described as follows:

A tract of land situated in the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the intersection of the South line of the Northeast quarter of the Northwest quarter of Section 21 and the Westerly right of way of Montana Rail Link Railroad which is South $88^{\circ} 55' 48''$ East, 139.54 feet from the Southwest corner of said Northeast quarter of the Northwest quarter; thence leaving said South line and along said right of way the following two (2) courses:

on a non-tangential curve to the left having a central angle of $10^{\circ} 44' 25''$ (radial bearing = South $65^{\circ} 01' 49''$ West) a radius of 2664.79 feet, for an arc length of 499.53 feet (chord = North $30^{\circ} 20' 24''$ West, 498.80 feet); thence North $25^{\circ} 10' 12''$ West, 100.47 feet;

thence leaving said right of way and parallel to the South line of Government Lot 1, North $88^{\circ} 55' 48''$ West, 936.05 feet to the meander line of Lake Pend Oreille as defined in the original GLO Survey; thence along said meander line the following two (2) courses:

South $14^{\circ} 25' 48''$ East, 271.54 feet; thence South $46^{\circ} 40' 48''$ East, 378.00 feet to the intersection with the South line of Government Lot 1;

thence along said South line South $88^{\circ} 55' 48''$ East, 748.52 feet to the Southeast corner of Government Lot 1; thence along the South line of the Northeast quarter of the Northwest quarter, South $88^{\circ} 55' 48''$ East, 139.54 feet to the true point of beginning.

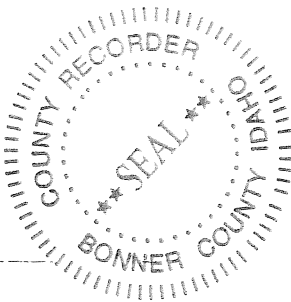
STATE OF IDAHO

County of Bonner

I, Marie Scott, County Recorder in and for the county and state aforesaid, do hereby certify that the foregoing instrument is a true and correct copy of the original thereof recorded in my office by instrument number 7564038.
Witness my hand and seal.

the 24 day of June 2013
MARIE SCOTT, COUNTY RECORDER

By Cynthia Bissnon Deputy 093



Return To:
Independent Mortgage Ltd. Co.
P.O. Box 905
Sandpoint, Idaho 83864
FATCO #266914-S

756411

FILED BY
First American Title
2008 AUG -6 P 3:55
MARIE SCOTT
BONNER COUNTY RECORDER
DEPUTY

**ADDENDUM TO NOTICE OF AGREEMENT REGARDING SENIOR POSITION
LIENS**

Borrowers hereby agree that the balance of the senior position liens held by JV L.L.C., an Idaho limited liability company, and Pacific Capital Bank, N.A. dba First National Bank of Central California, will not be increased from their current balances as of the date of this document. Borrowers further agree that if there are any principal reductions, there will be no subsequent increases in principal balances to said senior position liens as long as this note and mortgage are outstanding.

Borrowers and Note Holders mutually agree that upon payment in full of this junior position note and mortgage, this agreement automatically becomes null and void.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates appearing opposite their respective signatures.

PEND OREILLE BONNER DEVELOPMENT, LLC
a Nevada limited liability company

By: **PEND OREILLE BONNER DEVELOPMENT HOLDINGS, INC.**
A Nevada corporation, its Manager

By: Charles W. Reeves
Charles W. Reeves, President

July 31, 2008

STATE OF IDAHO)
County of BONNER) ss.

On this day personally appeared before me, the undersigned Notary Public, CHARLES W. REEVES, known or identified to me to be the President of the Corporation that executed this instrument, or the person who executed this instrument on behalf of said Corporation as the sole member of Pend Oreille Bonner Development, LLC, and acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 31 day of July, 2008.

Kathleen Groenhou
Notary Public - State of IDAHO
Residing at: SANDPOINT
My Commission Expires: 4/20/2013



EXHIBIT A

LAKE PROPERTY LEGAL

PARCEL 22:

That portion of the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East, Boise Meridian, lying West of the State Highway No. 200 right of way and East of the Northern Pacific Railway right of way, and lying North of the North line of the

following described tract:

Beginning at a point where the Section line between Sections 16 and 21, Township 57 North,

Range 1 West, Boise Meridian, intersects the State Highway on the Westerly side as it now exists; Thence in a Northwesterly direction along the Westerly side at said Highway, 752 feet; Thence in a Southwesterly direction, 97 feet; Thence in a Southeasterly direction, 672 feet to the Section line between Sections 16 and 21; Thence East on said Section line between said Sections 16 and 21, 104.25 feet, more or less, to the place of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, lying Southwest of the right of way of State Highway No. 200 and Northeast of the right of way of

Montana Rail Link Railway, being a portion of that property described as Parcel 1 of Instrument No. 168846 and more particularly described as follows:

Commencing at the intersection of the South line of the Southwest quarter of the Southwest

quarter of Section 16 and the Northeasterly right of way of Montana Rail Link Railway which

is South 88° 10' 56" East, 944.95 feet from the Southwest corner of Section 16; Thence leaving said South line and along said right of way North 23° 38' 59" West, 672.00 feet to the true point of beginning; Thence continuing along said right of way North 23° 38' 59" West, 786.99 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter; Thence leaving said right of way and along said North line South 88° 43'

23" East, 241.38 feet to the Westerly right of way of State Highway No. 200; Thence leaving said North line and along said right of way the following four (4) courses:

1. on a non-tangential curve to the right having a central angle of 01° 19' 25" (radial bearing

= South 73° 15' 16" West), a radius of 768.50 feet, for an arc length of 17.75 feet (chord = South 16° 06' 41" East, 17.75 feet);

2. Thence along a line offset 50.00 feet Westerly of and parallel to a spiral curve (centerline ls = 200 feet, a = 3.5, S = 7°) for a chord of South 10° 43' 01" East 193.87 feet);

3. Thence South 08° 25' 19" East, 86.06 feet;

4. Thence on a curve to the left having a central angle of 13° 56' 48", a radius of 1482.53 feet, for an arc length of 360.87 feet (chord South 15° 23' 43" East, 359.98 feet);

Thence leaving said right of way South 44° 37' 10" West, 106.45 feet (record = "Southwesterly 97 feet") to the true point of beginning.

PARCEL 23:

That part of the Southwest quarter of the Southwest quarter in Section 16, Township 57 North, Range 1 East of the Boise Meridian, lying South and West of the Burlington Northern

Inc. Railway right of way and

Government Lot 5 in Section 17, Township 57 North, Range 1 East, of the Boise Meridian,

save and excepting therefrom:

The South 350 feet of Government Lot 5 in said Section 17, and also that part of the Southwest quarter of the Southwest quarter in said Section 16 lying Westerly of said Burlington Northern Inc. right of way as now in use and described as follows:

Beginning at the Southwest corner of said Section 16; Thence North along the West Section

line 350 feet; Thence East to the centerline of Trestle Creek; Thence Southeasterly along said centerline to the South line of Section 16; Thence West along the Section line 720 feet,

more or less, to the point of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, lying Southwest of Montana Rail Link Railroad right of way and Government Lot 5 of Section

17, all in Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho; being a portion of that property described as Parcel 2 of Instrument No. 168846 and more particularly described as follows:

Beginning at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Southwesterly right of way of Montana Rail Link Railway which is South 88° 10' 36" East, 834.19 feet from the Southwest corner of Section 16; Thence leaving said South line and along said right of way North 23° 38' 59" West, 1457.84 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter; Thence leaving said right of way and along the North line of the Southwest quarter

of the Southwest quarter, North 88° 43' 23" West, 243.71 feet to the Northwest corner of the Southwest quarter of the Southwest quarter; Thence along the North line of Government

Lot 5 in Section 17, North 89° 23' 45" West, 1223.84 feet to the meander line of Lake Pend Oreille, as defined by the original GLO Survey; Thence leaving said North line and along said

meander line the following two (2) courses:

South 52° 55' 48" East, 561.00 feet; Thence South 37° 55' 48" East, 798.96 feet to a point on a line lying 350.00 feet North of and parallel to the South line of the Southwest quarter of the Southwest quarter of Section 16; Thence along said parallel line, South 88° 10' 56" East,

281.27 feet to the West line of the said Southwest quarter of the Southwest quarter;

Thence

continuing South 88° 10' 56" East, 159.02 feet to the intersection with the centerline of Trestle Creek; Thence along the centerline of Trestle Creek the following eight (8) courses:

1. South 52° 54' 34" East, 63.58 feet;
 2. Thence South 44° 37' 26" East, 117.83 feet;
 3. Thence South 42° 08' 45" East, 77.28 feet;
 4. Thence South 80° 05' 07" East, 145.49 feet;
 5. Thence South 55° 15' 32" East, 86.34 feet;
 6. Thence South 46° 56' 31" East, 113.98 feet;
 7. Thence South 75° 43' 10" East, 58.83 feet;
 8. Thence South 37° 48' 28" East, 27.37 feet to the intersection with the South line of the Southwest quarter of the Southwest quarter;
- Thence leaving said creek centerline and along said South line South 88° 10' 56" East, 116.80 feet to the true point of beginning.

PARCEL 24:

A portion of the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, described as follows:

Beginning at a point where the South line of the Northeast quarter of the Northwest quarter

of Section 21, Township 57 North, Range 1 East of the Boise Meridian. Bonner County, Idaho, intersects the West line of the Northern Pacific Railroad Company right of way; Thence 600 feet Northerly along said railroad right of way; Thence West to the meander line

of lake; Thence 600 feet Southerly to the South line of Lot 1 of said Section 21; Thence East

to the Point of Beginning.

SAID parcel is now described as follows:

A tract of land situated in the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County,

Idaho, more particularly

described as follows:

Beginning at the intersection of the South line of the Northeast quarter of the Northwest quarter of Section 21 and the Westerly right of way of Montana Rail Link Railroad which is South 88° 55' 48" East 139.54 feet from the Southwest corner of said Northeast quarter of the Northwest quarter; Thence leaving said South line and along said right of way the following two (2) courses:

1. On a non-tangential curve to the left having a central angle of 10° 44' 25" (radial bearing South 65° 01' 49" West) a radius of 2664.79 feet, for an arc length of 499.53 feet (chord North 30° 20' 24" West, 498.80 feet);

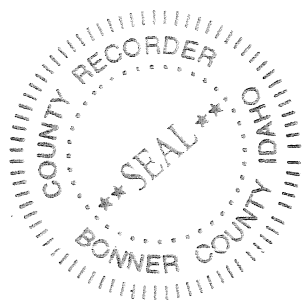
2. Thence North 25° 10' 12" West, 100.47 feet;

Thence leaving said right of way and parallel to the South line of Government Lot 1, North 88° 55' 48" West, 936.05 feet to the meander line of Lake Pend Oreille as defined in the original GLO Survey; Thence along said meander line the following two (2) courses:

1. South 14° 25' 48" East, 271.54 feet;

2. Thence South 46° 40' 48" East, 378.00 feet to the intersection with the South line of Government Lot 1;

Thence along said South line South 88° 55' 48" East, 748.52 feet to the Southeast corner of Government Lot 1; Thence along the South line of the Northeast quarter of the Northwest quarter, South 88° 55' 48" East, 139.54 feet to the true point of beginning.



STATE OF IDAHO

County of Bonner

I, Marie Scott, County Recorder in and for the county and state aforesaid, do hereby certify that the foregoing instrument is a true and correct copy of the original thereof recorded in my office by instrument number 756411

Witness my hand and seal

the 24 day of June 2013
MARIE SCOTT, COUNTY RECORDER

By Cynthia Brannon Deputy

FILED BY
SANDPOINT TITLE INSURANCE

2006 JUN 19 P 1:41
5100

MARIE SCOTT
BONNER COUNTY RECORDER

DEPUTY

Recorded at the request of, &
after recording please return to:

Pend Oreille Bonner Development Holdings, Inc.
6900 South McCarran Boulevard
Suite 1010
Reno, Nevada 89509
Attention: Sherry Wagner

41847-DA

Above Space Reserved for Recording Information

706475

MEMORANDUM OF REAL PROPERTY
PURCHASE AND SALE AGREEMENT

NORTH IDAHO RESORTS, LLC, an Idaho limited liability company ("**Seller**") and PEND OREILLE BONNER DEVELOPMENT HOLDINGS, INC., a Nevada corporation ("**Buyer**"), hereby acknowledge and agree as follows:

1. Seller and Buyer have entered into a written agreement entitled *Third Amended and Restated Real Property Purchase and Sale Agreement* with the effective date of March 9, 2006. Said agreement is unrecorded.

2. Said agreement concerns the real property (the "**Property**") located in the County of Bonner, State of Idaho. The Property is described in said agreement and on Exhibit One hereto.

3. Seller hereby agrees to sell the Property to Buyer, and Buyer hereby agrees to purchase the Property from Seller, all pursuant to the provisions of said unrecorded written agreement.

[SIGNATURE BLOCK ON NEXT PAGE]

IN WITNESS WHEREOF, Seller and Buyer have executed
this Memorandum as of the date first above written.

SELLER

North Idaho Resorts, LLC
an Idaho limited liability company

By Villelli Enterprises Inc.
a California corporation
Managing Member

By

Richard A. Villelli, Pres

Richard A. Villelli, President

BUYER

PEND OREILLE BONNER DEVELOPMENT HOLDINGS INC.,
a Nevada corporation

By

Charles W. Reeves

Charles W. Reeves
President

STATE OF IDAHO

COUNTY OF Bonner

SS

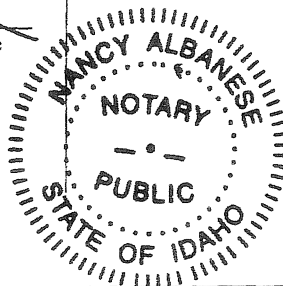
On 14th day of June, 2006, before me, the undersigned, a Notary Public in and for the said State, personally appeared Richard A. Vilelli known or identified to me to be the President

_____ of the corporation that executed this instrument or the person/s whose executed the instrument on behalf of said corporation and acknowledged to me that said corporation executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my seal the day and year in this certificate first above written.

Nancy Albanese
Notary Public in and for said County and State

Residing at: Sandpoint
Commission Exp.: 1-31-11



RECORDING DATA:

STATE OF IDAHO

COUNTY OF Bonner

SS

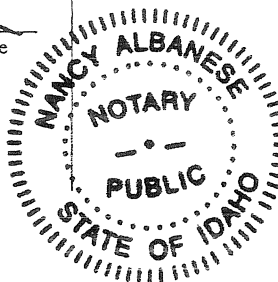
On 14th day of June, 2006, before me, the undersigned, a Notary Public in and for the said State, personally appeared Charles W. Reeves known or identified to me to be the President

_____ of the corporation that executed this instrument or the person/s whose executed the instrument on behalf of said corporation and acknowledged to me that said corporation executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my seal the day and year in this certificate first above written.

Nancy Albanese
Notary Public in and for said County and State

Residing at: Sandpoint
Commission Exp.: 1-31-11



SCHEDULE B-Part II - continued

Transnation Title Insurance Company

Commitment No. 00041847

THIS REPORT IS DIVIDED INTO 4 SECTIONS WITH MULTIPLE PARCELS WITHIN EACH SECTION, THE FOLLOWING SECTIONS REPRESENT FOUR DIFFERENT LOCATIONS:

SECTION A:

HIDDEN LAKES GOLF COURSE, LODGE, PARKING AREAS AND MAINTENANCE AREAS.

SECTION B:

HIGHLANDS AREA PLATTED LOTS WEST OF LOWER PACK RIVER ROAD.

SECTION C:

MOOSE MOUNTAIN LARGE ACREAGE FOR DEVELOPMENT SOUTH OF HIGHWAY 200.

SECTION D:

IDAHO RESORT AREA ON THE WATERS OF LAKE PEND OREILLE AT TRESTLE CREEK.

Exhibit A

SECTION A:

PARCEL 1:

A tract of land located in Section 36, Township 58 North, Range 1 West AND Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

That portion of said Sections 36 and 31 lying East of Pack River Road, a county road, West of the Pack River, North of State Highway No. 200, and South of the South line of Government Lot 1 of said Section 31 and South of the South line of the Northeast quarter of the Northeast quarter of said Section 36;

LESS that land included in the Plat of Hidden Lakes Subdivision as recorded in Book 4 of Plats, page 64, records of Bonner County, Idaho.

ALSO LESS a parcel of land in Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho more particularly described as follows:

Commencing at the Southeast corner of said Section 36;

Thence North $52^{\circ} 11'33''$ West 953.40 feet (record per Instrument No. 457973 = North $54^{\circ} 29'10''$ West, 1010.58 feet) to a point on the Northerly right of way of State Highway No. 200 and the true point of beginning;

Thence North $01^{\circ} 19'29''$ West, 244.70 feet (record per Instrument No. 457973 = North $01^{\circ} 07'07''$ East, 244.28 feet);

Thence South $88^{\circ} 04'08''$ West, 348.50 feet (record per Instrument No. 457973 = South $87^{\circ} 52'03''$ West, 348.49 feet)

Thence South $01^{\circ} 19'12''$ West, 250.00 feet (record per Instrument No. 457973 = South $01^{\circ} 07'07''$ West, 250.00 feet) to the Northerly right of way of State Highway No. 200;

Thence along said right of way North $80^{\circ} 34'19''$ East 66.04 feet (record per Instrument No. 457973 = North $79^{\circ} 46'41''$ East, 66.62 feet);

Thence on a curve to the right having a central angle of $05^{\circ} 47'35''$ and a radius of 2803.37 feet, for an arc distance of 283.45 feet (record per Instrument No. 457973 = a central angle of $05^{\circ} 47'02''$ and an arc length of 282.99 feet) to the true point of beginning.

LESS a tract of land in Government Lot 2 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the intersection of the North line of said Government Lot 2 and an existing fence line marking the right of way of an old County Road, said point being South $89^{\circ} 06'38''$ East, 398.07 feet from the Northwest corner of Government Lot 2 (record = 361.00 feet);

Thence along said fence line as noted of record per Instrument No. 217765 on a curve to the left (radial bearing = North $62^{\circ} 13'42''$ East) having a central angle of $19^{\circ} 17'35''$ and a radius of 650.32 feet, for an arc distance of 218.98 feet (chord = South $37^{\circ} 25'05''$ East, 217.95 feet);

Thence continuing along said fence line, South $47^{\circ} 03'53''$ East, 43.24 feet;

Thence North $89^{\circ} 06'38''$ West, 12.33 feet;

Transnation Title Insurance Company

Thence continuing along the fence line, South $59^{\circ} 55' 24''$ East, 65.99 feet to an iron pipe as described in Instrument No. 217765;

Thence along the fence line, South $70^{\circ} 07' 45''$ East, 262.49 feet to an iron pipe as described in Instrument No. 217765 (record = South $70^{\circ} 18' 00''$ East 262.00 feet;

Thence South $54^{\circ} 48' 04''$ East, 67.00 feet;

Thence North $40^{\circ} 08' 56''$ East, 168.45 feet to the right bank of Pack River (record = 200.00 feet to the thread of Pack River);

Thence North $40^{\circ} 08' 56''$ East to the intersection with the thread of Pack River;

Thence Northerly and upstream along the thread line of Pack River to the intersection with the North line of Government Lot 2 of said Section 31;

Thence South $89^{\circ} 06' 38''$ East, along said North line to the true point of beginning.

LESS any part of the above described property lying North and East of Pack River.

LESS a tract of land in Government Lots 1 and 2 of Section 31, Township 58 North, Range 1 East and the Southeast quarter of the Northeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho and more particularly described as follows:

Mary's Pack River Lots and all that property dedicated to the public for right of way as shown and recorded in Instrument No. 699091, records of Bonner County, Idaho.

PARCEL 2:

A tract of land located in Section 36, Township 58 North, Range 1 West AND Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, more fully described as follows:

Beginning at a point that is North 80 degrees 05' 57" East, a distance of 386.02 feet from the South quarter corner of said Section 36, said point also being at the intersection of the South right of way of State Highway No. 200 and the East right of way of the Old Country Road;

thence South 5 degrees 14' 00" East along said East right of way of the old country road, a distance of 171.80 feet;

thence continuing South 14 degrees 35' 50" East along said East right of way, a distance of 254.70 feet to an intersection with the North right of way of Old Highway No. 200 (FAP No. 95F);

thence North 72 degrees 38' 24" East along said North right of way, a distance of 372.40 feet;

thence continuing along said North right of way, North 72 degrees 58' 33" East, a distance of 336.00 feet to an intersection with the West high bank of Dry Creek;

thence Northeasterly along said West high bank, a distance of 578 feet, more or less, to an intersection with the South right of way of said State Highway No. 200;

thence Westerly along said South right of way the following six (6) courses:

- 1) Around a curve to the left with a radius of 2643.37 feet, a distance of 48.44 feet (the chord of which bears South 88 degrees 02' 31" West, a distance of 48.43 feet);
- 2) North 79 degrees 07' 52" West, 100.50 feet;

Transnation Title Insurance Company

- 3) Around a curve to the left with a radius of 2668.37 feet, a distance of 247.30 feet (the chord of which bears South 82 degrees 54' 00" West, a distance of 247.24 feet) to a P.S.C.;
- 4) Along a spiral curve (S=2 degrees 12.3'), a distance of 207.68 feet (the chord of which bears South 70 degrees 27' 12" West, a distance of 207.67 feet) to a P.S.;
- 5) South 69 degrees 43' 21" West, 328.60 feet;
- 6) South 61 degrees 11' 30" West, 119.79 feet to the point of beginning.

AND TOGETHER WITH any portion of the old Highway right of way abandonment, described in that certain Quit Claim Deed, executed by the State of Idaho, as Instrument No. 696025 and recorded on January 11, 2006, lying within the bounds of the above described property

PARCEL 3:

A tract of land in Government Lot 1 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 484825 and more particularly described as follows:

Beginning at a point on the South line of said Government Lot 1, which is South 89° 06'38" East (record = South 89° 06'55" East) 330.00 feet from the Southwest corner of Government Lot 1, marked by a brass cap stamped RLS 974;

Thence parallel to the West line of the Section, North 00° 07'21" East, 118.03 feet;

Thence in a Southeasterly direction on a curve to the right (radial bearing = South 50° 01'02" West) having a central angle of 12° 44'09" and a radius of 233.31 feet, for an arc distance of 51.86 feet (chord = South 33° 36'53" East, 51.76 feet);

Thence South 27° 14'49" East, 79.53 feet;

Thence on a curve to the left (radial bearing = North 62° 45'11" East) having a central angle of 00° 31'29" (record = 00° 31'25") and a radius of 650.32 feet for an arc distance of 5.95 (record = 5.94 feet) feet (chord = South 27° 30'31" East, 5.95 feet), to the South line of Government Lot 1;

Thence along said South line North 89° 06'38" West (record = North 89° 06'55" West), 68.07 feet to the true point of beginning.

PARCEL 4:

A tract of land in Government Lot 1 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 495753 and more particularly described as follows:

Beginning at a point on the South line of said Government Lot 1, which is South 89° 06'38" East (record = South 89° 06'55" East) 330.00 feet from the Southwest corner of Government Lot 1, marked by a brass cap stamped RLS 974;

Thence parallel to the West line of the Section North 00° 07'21" East, 118.03 feet;

Thence on a curve to the left (radial bearing = South 50° 01'02" West) having a central angle of 04° 01'30" and a radius of 233.31 feet, for an arc distance of 16.39 feet (chord = North 41° 59'43" West 16.39 feet)

Thence North 44° 00'28" West 23.17 feet to the Southeasterly right of way of the Lower Pack River Road;

Transnation Title Insurance Company

Thence along said right of way on a curve to the right (radial bearing = North 53° 09'38" West) having a central angle of 12° 32'30" and a radius of 275.00 feet, for an arc distance of 60.20 feet (chord = South 43° 06'37" West, 60.08 feet);

Thence leaving said right of way, South 44° 00'28" East, 20.15 feet;

Thence on a curve to the right having a central angle of 16° 45'40" and a radius of 173.31 feet, for an arc distance of 50.70 feet (chord = South 35° 37'39" East 50.52 feet);

Thence South 27° 14'49" East, 53.38 feet to the true point of beginning

PARCEL 5:

A tract of land in Government Lot 2 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 495753 and more particularly described as follows:

Beginning at a point on the West line of said Government Lot 2 (West line of Section 31) which is South 00° 07'21" West, 200.00 feet from the Northwest corner of said Government Lot 2;

Thence parallel to the North line of Government Lot 2, South 89° 06'38" East (record = South 89° 06'55" East) 562.61 feet (record = 562.58 feet);

Thence North 47° 03'53" West, 43.24 feet (record = 43.21 feet);

Thence on a curve to the right having a central angle of 19° 17'35" (record = 19° 17'39") and a radius of 650.32 feet, for an arc distance of 218.98 feet (chord = North 37° 25'03" West 271.95 feet) to the North line of Government Lot 2;

Thence along said North line North 89° 06'38" West (record = North 89° 06'55" West) 68.07 feet;

Thence South 27° 14'49" East 26.15 feet;

Thence on a curve to the left having a central angle of 09° 49'00" and a radius of 710.32 feet, for an arc distance of 121.70 feet (chord = South 32° 09'19" East, 121.55 feet);

Thence South 80° 25'01" West 412.81 feet (record = South 80° 24'50" West 412.82 feet) to the point of beginning.

EXCEPTING from Parcels 1, 3, 4 and 5, the following two tracts:

Any portion encompassed by the Plat of GOLDEN TEE ESTATES PLANNED UNIT DEVELOPMENT (PHASE ONE), according to the plat thereof, recorded in Book 6 of Plats, Page 108, records of Bonner County, Idaho.

AND any portion encompassed by the Plat of GOLDEN TEE ESTATES FIRST ADDITION, (PHASE TWO) according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho.

PARCEL 6:

Block 5 in GOLDEN TEE ESTATES PLANNED UNIT DEVELOPMENT (PHASE ONE), according to the plat thereof, recorded in Book 6 of Plats, Page 108, records of Bonner County, Idaho.

PARCEL 7:

The Club House, and the Parking Lot in Block 12, as they are shown and depicted in GOLDEN TEE ESTATES FIRST ADDITION (PHASE TWO), according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho.

PARCEL 8:

Transnation Title Insurance Company

Maintenance Lot, Block 14, GOLDEN TEES ESTATES FIRST ADDITION (PHASE TWO) according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho.

PARCEL 9:

Lot 2 Block 3 in GOLDEN TEES ESTATES PLANNED UNIT DEVELOPMENT (PHASE ONE), according to the plat thereof, recorded in Book 6 of Plats, Page 108, records of Bonner County, Idaho.

PARCEL 10:

Lot 13, Block 13 and the Golf Course Area as shown and depicted in Block 12 of GOLDEN TEES ESTATES FIRST ADDITION (PHASE TWO) according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho.

PARCEL 11:

Open space Lots shown as Lots 1 And 5 and Stormwater Lot, Block 4 and Stormwater Lot, Block 2 of GOLDEN TEE ESTATES PLANNED UNIT DEVELOPMENT (PHASE ONE), according to the Plat thereof, recorded in Book 6 of Plats, page 108, records of Bonner County, Idaho.

Open space Lots 1 and 4, Block 6 and open space Lot 1, Block 7, open space Lot 1, Block 9, GOLDEN TEE ESTATES 1ST ADDITION PLANNED UNIT DEVELOPMENT (PHASE TWO), according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho.

PARCEL 12:

Open space Lot 1, of Block 8, GOLDEN TEE ESTATES FIRST ADDITION PUD (PHASE TWO), according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho

PARCEL 13:

Lot 1, Block 11 in GOLDEN TEES ESTATE FIRST ADDITION (PHASE TWO), according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho.

PARCEL 14:

All Private roads in GOLDEN TEE ESTATES PLANNED UNIT DEVELOPMENT (PHASE ONE), according to the plat thereof, recorded in Book 6 of Plats, Page 108, records of Bonner County, Idaho.

PARCEL 15:

All private roads in GOLDEN TEES ESTATES FIRST ADDITION (PHASE TWO), according to the plat thereof, recorded in Book 6 of Plats, Page 114, records of Bonner County, Idaho.

SECTION B:PARCEL 1:

Lot 1 in Block 1 of the FIRST ADDITION TO HIDDEN LAKES, according to the plat thereof, recorded in Book 4 of Plats, page 161, records of Bonner County, Idaho.

PARCEL 2:

Lots 2, 3, 4, 5 in Block 2 of the SECOND ADDITION TO HIDDEN LAKES SUBDIVISION, according to the plat thereof, recorded in Book 5 of Plats, Page 58, records of Bonner County, Idaho.

Transnation Title Insurance Company

PARCEL 3:

A tract of land in the East half of the Northeast quarter of the Southwest quarter and the Northwest quarter of the Southeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the Southeast corner of the East half of the Northeast quarter of the Southwest quarter of said Section 36;

Thence along the South line of the East half of the Northeast quarter of the Southwest quarter, North $89^{\circ} 36' 27''$ West, 661.51 feet (record = North $89^{\circ} 37' 10''$ West, 661.57 feet to the Southwest corner of the East half of the Northeast quarter of the Southwest quarter;

Thence along the West line of the East half of the Northeast quarter of the Southwest quarter, North $00^{\circ} 10' 22''$ East 856.45 feet (record = North $00^{\circ} 09' 25''$ East, 856.45 feet);

Thence North $89^{\circ} 10' 53''$ East, 30.21 feet (record = East, 29.58 feet) to the Westerly right of way of Berry Drive (shown as Olympic Drive on the Second Addition Plat to Hidden Lakes);

Thence Southeasterly along said right of way the following six (6) courses:

1. on a non tangential curve to the left (radial bearing = North $87^{\circ} 39' 13''$ East) having a central angle of $36^{\circ} 44' 06''$ and a radius of 131.00 feet for an arc distance of 83.99 feet (record = 84.54 feet) (chord = South $20^{\circ} 42' 50''$ East, 82.56 feet - record = South $20^{\circ} 37' 27''$ East, 83.08 feet);
2. thence South $39^{\circ} 04' 53''$ East, 419.67 feet (record = South $39^{\circ} 06' 45''$ East, 419.68 feet);
3. thence on a curve to the left having a central angle of $11^{\circ} 42' 45''$ and a radius of 530.00 feet for an arc distance of 108.34 feet (chord = South $44^{\circ} 56' 16''$ East, 108.15 feet - record = South $44^{\circ} 58' 08''$ East, 108.16 feet);
4. thence South $50^{\circ} 47' 39''$ East, 69.68 feet (record = South $50^{\circ} 49' 31''$ East, 69.68 feet);
5. thence on a curve to the right having a central angle of $23^{\circ} 42' 51''$ and a radius of 970.00 feet, for an arc distance of 401.47 feet (chord = South $38^{\circ} 56' 14''$ East, 398.61 feet - record = South $38^{\circ} 58' 05''$ East 398.61 feet);
6. thence South $27^{\circ} 04' 48''$ East, 31.65 feet to the South line of the Northwest quarter of the Southeast quarter (record = South $27^{\circ} 06' 40''$ East, 30.77 feet);

thence leaving said right of way North $89^{\circ} 36' 03''$ West, 60.37 feet (record = North $89^{\circ} 37' 09''$ West, 59.55 feet) to the point of beginning.

PARCEL 4:

A tract of land located in a portion of the Southwest quarter of the Southeast quarter of Section 36, Township 58 North, Range 1 West, Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the Northwest corner of said Southwest quarter of the Southeast quarter of Section 36;

Thence South $89^{\circ} 36' 03''$ East 60.37 feet (record = South $89^{\circ} 37' 09''$ East, 59.55 feet) to the Westerly right of way of Berry Drive (shown as Olympic Drive on the Plat of the Second Addition to Hidden Lakes);

Thence along said right of way for the following four (4) courses:

1. South $27^{\circ} 04' 48''$ East, 299.95 feet (record = South $27^{\circ} 06' 40''$ East, 300.83 feet);
2. North $62^{\circ} 55' 12''$ East, 60.00 feet (record = North $62^{\circ} 53' 20''$ East, 60.00 feet);

Transnation Title Insurance Company

3. North 27° 04'48" West, 125.34 feet (record = North 27° 06'40" West, 125.34 feet):

4. thence on a curve to the right having a central angle of 79° 01'27" and a radius of 25.00 feet, for an arc distance of 34.48 feet (chord = North 12° 25'55" East, 31.81 feet - record = North 12° 24'03" East, 31.81 feet) to a point on the Southerly right of way of Fairway View Drive, as shown on the Plat of First Addition to Hidden Lakes;

thence along said right of way for the following eight (8) courses:

1. North 51° 56'39" East, 74.67 feet (record = North 51° 54'47" East, 74.67 feet);

2. thence on a curve to the right having a central angle of 99° 26'33" and a radius of 70.00 feet, for an arc distance of 121.49 feet (chord = South 78° 20'05" East, 106.81 feet - record = South 78° 21'57" East, 106.81 feet);

3. thence South 28° 36'48" East, 154.03 feet (record = South 28° 38'40" East, 154.03 feet);

4. thence on a curve to the right having a central angle of 55° 41'27" and a radius of 90.00 feet for an arc distance of 87.48 feet (chord = South 00° 46'05" East, 84.08 feet - record = South 00° 47'56" East, 84.08 feet);

5. thence South 27° 04'39" West, 170.14 feet;

6. thence on a curve to the right having a central angle of 71° 37'11" and a radius of 60.0 feet, for an arc distance of 75.00 feet (chord = South 08° 43'57" East, 70.21 feet);

7. thence South 44° 32'32" East, 50.94 feet;

8. thence on a curve to the right having a central angle of 69° 10'16" and a radius of 25.00 feet, for an arc distance of 30.18 feet (chord = South 09° 57'24" East, 28.38 feet - record = South 11° 23'51" East, 30.18 feet) to a point on the West right of way of Lower Pack River Road:

thence Southerly along said right of way for the following four (4) courses:

1. on a non tangential curve to the right having a central angle of 04° 15'19" and a radius of 1180.00 feet for an arc distance of 87.69 feet (chord = South 22° 30'38" West, 87.67 feet);

2. thence South 20° 22'44" West, 114.57 feet;

3. thence on a curve to the left having a central angle of 22° 29'50" and a radius of 502.65 feet, for an arc distance of 197.36 feet (chord = South 09° 07'49" West, 196.10 feet)

4. thence South 02° 07'06" East, 157.81 feet to the Northerly right of way of State Highway No. 200;

thence along the highway right of way, South 77° 42'28" West, 72.14 feet (record = South 78° 15'06" West, 71.11 feet);

thence continuing along the Highway right of way, South 69° 44'57" West, 262.22 feet (record = South 69° 43'16" West, 261.65 feet) to the West line of the Southwest quarter of the Southeast quarter of said Section 36;

thence along the West line of the Southwest quarter of the Southeast quarter, North 00° 08'19" East, 1223.36 feet (record = North 00° 07'13" East, 1223.17 feet) to the point of beginning.

PARCEL 5:

That portion of the Southeast quarter of the Northeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, lying West of the Lower Pack River Road,

EXCEPT the First Addition to Hidden Lakes Subdivision, according to the plat thereof, recorded in Book 4 of Plats, Page 161, records of Bonner County, Idaho.

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SECTION C:

All that portion of the Southeast Quarter in Section 36, Township 58 North, Range 1 West, Boise Meridian, Bonner County, Idaho, lying South of State Highway 200; and all that portion of Government Lot 4 in Section 31, Township 58 North, Range 1 East, Boise Meridian, Bonner County, Idaho, lying South of State Highway 200;

LESS the following described property:

A tract of land in the Southeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 92981, records of Bonner County, Idaho and more particularly described as follows:

Commencing at the Southeast corner of said Section 36;

Thence along the East line of Section 36, North $00^{\circ} 08' 06''$ East, 460.00 feet;

Thence perpendicular to the East line of the Section, North $89^{\circ} 51' 54''$ West, 568.00 feet to the true point of beginning;

Thence South $47^{\circ} 08' 06''$ West, 250.00 feet;

Thence South $42^{\circ} 51' 54''$ East, 348.50 feet;

Thence North $47^{\circ} 48' 06''$ East, 250.00 feet;

Thence North $42^{\circ} 51' 54''$ West, 348.50 feet to the true point of beginning.

AND

All that portion of Government Lots 2, 3, 4, 5, 6, 7, 8 and 9; the Southwest quarter of the Northeast quarter; and the South half of the Northwest quarter of Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, lying South of State Highway No. 200 and lying North and East of the Northern Pacific Railroad (now Montana Rail Link) right of way.

LESS that portion of Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho; being that property described in Instrument No. 592059 and more particularly described as follows:

Beginning at a right of way monument on the South right of way of State Highway No. 200, from which the Northwest corner of said Section 2 bears North $25^{\circ} 54' 43''$ West, 798.00 feet (record = North $26^{\circ} 28' 08''$ West, 798.11 feet);

Thence along the South right of way of the Highway, North $68^{\circ} 35' 39''$ East, 266.10 feet;

Thence continuing along the Highway right of way, on a curve to the e left (radial bearing = North $14^{\circ} 03' 28''$ West) having a central angle of $00^{\circ} 08' 55''$ and a radius of 5799.58 feet for an arc distance of 15.03 feet (chord = North $75^{\circ} 52' 05''$ East, 15.03 feet - total distance along right of way from point of beginning = 281.13 feet - record = 281.13 feet);

thence leaving said right of way South $00^{\circ} 04' 10''$ West, 725.53 feet;

Thence North $89^{\circ} 14' 40''$ West, 330.00 feet;

Thence North $00^{\circ} 03' 26''$ West 607.20 feet, to the Southerly right of way of State Highway No. 200;

Thence along said right of way North $79^{\circ} 11' 55''$ East, 70.38 feet to the true point of beginning.

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LESS a tract of land located in Section 36, Township 58 North, Range 1 West and Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho; being a portion of that property described in Instrument No. 464572 and more particularly described as follows:

Beginning at a point that is North 80° 05'57" East 386.02 feet from the South quarter of said Section 36, said point also being at the intersection of the South right of way of State Highway No. 200 and the East right of way of the Old County Road;

Thence South 05° 14'00" East along the East right of way of the Old County Road, 171.80 feet;

Thence continuing South 14° 35'50" East along said East right of way, 254.70 feet to the intersection with the North right of way of Old Highway 200 (FAP No. 95F);

Thence North 72° 38'24" East along said North right of way, 372.40 feet;

Thence continuing along said North right of way, North 72° 58'33" East, 336.00 feet to the intersection with the West high bank of Dry Creek;

Thence Northeasterly along said West high bank, a distance of 578 feet, more or less, to the intersection with the South right of way of State Highway No. 200;

Thence Westerly along said South right of way the following six (6) courses:

1. around a curve to the left with a radius of 2643.37 feet, a distance of 48.44 feet (chord = South 88° 02'31" West, 48.43 feet);
2. North 79° 07'52" West, 100.50 feet;
3. around a curve to the left with a radius of 2668.37 feet for a distance of 247.30 feet (chord = South 82° 54'00" West, 247.24 feet);
4. along a spiral curve (South = 02° 12'18"), a distance of 207.68 feet (chord = South 70° 27'12" West, 207.67 feet);
5. South 69° 43'21" West, 328.60 feet;
6. South 61° 11'30" West, 119.79 feet to the point of beginning.

TOGETHER WITH any portion of the old highway right of way abandonment described in that certain Quitclaim Deed, executed by the State of Idaho, as Instrument No. 696025 and recorded on January 11, 2006, and lying within the bounds of the above described property.

AND

Government Lots 5, 9, 10 and 11; the Southeast quarter of the Northwest quarter; the East half of the Southwest quarter; and Government Lot 6, all in Section 6, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho.

LESS that property described in Instrument No. 22533, records of Bonner County, Idaho, and described as follows:

Beginning at the North quarter corner of said Section 6, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho;

Thence South 1669.70 feet to Pack River and the True Point of Beginning;

Thence South 66° 47' West, 203 feet;

Thence South 69° 54' West 165.3 feet;

Thence South 79° 56' West, 242.5 feet;

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Thence South $01^{\circ} 11'$ East, 146 feet;

Thence South $25^{\circ} 18'$ East, 118.20 feet;

Thence South $54^{\circ} 29'$ East, 137.2 feet;

Thence South $68^{\circ} 10'$ East, 267.1 feet;

Thence North 535.6 feet to a point 1669.7 feet South of the North quarter corner of Section 6.

LESS a tract of land in Government Lot 6 and the Southeast quarter of the Northwest quarter of Section 6, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property identified as Tract No. Q-1755-2 in Instrument No. 42975 and more particularly described as follows:

Beginning at a point on the Southerly right of way of State Highway No. 200 which is South $55^{\circ} 03' 21''$ East, 2460.29 feet from the Northwest corner of said Section 6 (record = South $55^{\circ} 14'$ East, 2451.3);

Thence South $14^{\circ} 53' 00''$ East, 223.22 feet (record);

Thence South $04^{\circ} 43' 00''$ East, 640.00 feet (record);

Thence South $39^{\circ} 48' 00''$ East, 430.00 feet (record);

Thence South $30^{\circ} 28' 00''$ East, 387.49 feet (record = 500 feet plus or minus) to the East line of the Southeast quarter of the Northwest quarter of said Section 6.

TOGETHER WITH any portion of the Old Highway right of way abandonment described in that certain Quitclaim Deed, executed by the State of Idaho, as Instrument No. 696025 and recorded on January 11, 2006, lying within the bounds of the above described property

SECTION D:**PARCEL 1:**

That portion of the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East, Boise Meridian, lying West of the State Highway No. 200 right of way and East of the Northern Pacific Railway right of way; and lying North of the North line of the following described tract:

Beginning at a point where the Section line between Sections 16 and 21, Township 57 North, Range 1 West, Boise Meridian, intersects the State Highway on the Westerly side as it now exists;

thence in a Northwesterly direction along the Westerly side of said Highway, 752 feet;

thence in a Southwesterly direction, 97 feet;

thence in a Southeasterly direction, 672 feet to the Section line between Sections 16 and 21;

thence East on said Section line between said Sections 16 and 21, 104.25 feet, more or less, to the place of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, lying Southwest of the right of way of State Highway No. 200 and Northeast of the right of way of Montana Rail Link Railway; being a portion of that property described as Parcel 1 of Instrument No. 168846 and more particularly described as follows:

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Commencing at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Northeasterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10' 56''$ East, 944.95 feet from the Southwest corner of Section 16;

Thence leaving said South line and along said right of way North $23^{\circ} 38' 59''$ West, 672.00 feet to the true point of beginning;

Thence continuing along said right of way North $23^{\circ} 38' 59''$ West, 786.99 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter;

Thence leaving said right of way and along said North line South $88^{\circ} 43' 23''$ East, 241.38 feet to the Westerly right of way of State Highway No. 200;

Thence leaving said North line and along said right of way the following four (4) courses:

on a non-tangential curve to the right having a central angle of $01^{\circ} 19' 25''$ (radial bearing = South $73^{\circ} 15' 16''$ West), a radius of 768.50 feet, for an arc length of 17.75 feet (chord = South $16^{\circ} 06' 41''$ East, 17.75 feet);

Thence along a line offset 50.00 feet Westerly of and parallel to a spiral curve (centerline $ls = 200$ feet, $a = 3.5$, $S = 7^{\circ}$) for a chord of South $10^{\circ} 43' 01''$ East 193.87 feet);

Thence South $08^{\circ} 25' 19''$ East, 86.06 feet;

Thence on a curve to the left having a central angle of $13^{\circ} 56' 48''$, a radius of 1482.53 feet, for an arc length of 360.87 feet (chord = South $15^{\circ} 23' 43''$ East, 359.98 feet);

Thence leaving said right of way South $44^{\circ} 37' 10''$ West, 106.45 feet (record = "Southwesterly 97 feet") to the true point of beginning.

PARCEL 2:

That part of the Southwest quarter of the Southwest quarter in Section 16, Township 57 North, Range 1 East of the Boise Meridian, lying South and West of the Burlington Northern Inc. Railway right of way and Government Lot 5 in Section 17, Township 57 North, Range 1 East, of the Boise Meridian, save and excepting therefrom:

The South 350 feet of Government Lot 5 in said Section 17, and also that part of the Southwest quarter of the Southwest quarter in said Section 16 lying Westerly of said Burlington Northern Inc. right of way as now in use and described as follows:

Beginning at the Southwest corner of said Section 16;

thence North along the West Section line 350 feet;

thence East to the centerline of Trestle Creek;

thence Southeasterly along said centerline to the South line of Section 16;

thence West along the Section line 720 feet, more or less, to the point of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, lying Southwest of Montana Rail Link Railroad right of way and Government Lot 5 of Section 17, all in Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho; being a portion of that property described as Parcel 2 of Instrument No. 168846 and more particularly described as follows:

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Beginning at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Southwesterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10'56''$ East, 834.19 feet from the Southwest corner of Section 16;

Thence leaving said South line and along said right of way North $23^{\circ} 38'59''$ West, 1457.84 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter;

Thence leaving said right of way and along the North line of the Southwest quarter of the Southwest quarter, North $88^{\circ} 43'23''$ West, 243.71 feet to the Northwest corner of the Southwest quarter of the Southwest quarter;

Thence along the North line of Government Lot 5 in Section 17, North $89^{\circ} 23'45''$ West, 1223.84 feet to the meander line of Lake Pend Oreille, as defined by the original GLO Survey;

Thence leaving said North line and along said meander line the following two (2) course:

South $52^{\circ} 55'48''$ East, 561.00 feet;

Thence South $37^{\circ} 55'48''$ East, 798.96 feet to a point on a line lying 350.00 feet North of and parallel to the South line of the Southwest quarter of the Southwest quarter of Section 16;

Thence along said parallel line, South $88^{\circ} 10'56''$ East, 281.27 feet to the West line of the said Southwest quarter of the Southwest quarter;

Thence continuing South $88^{\circ} 10'56''$ East, 159.02 feet to the intersection with the centerline of Trestle Creek;

Thence along the centerline of Trestle Creek the following eight (8) courses:

South $52^{\circ} 54'34''$ East, 63.58 feet;

Thence South $44^{\circ} 37'26''$ East, 117.83 feet;

Thence South $42^{\circ} 08'45''$ East, 77.28 feet;

Thence South $80^{\circ} 05'07''$ East, 145.49 feet;

Thence South $55^{\circ} 15'32''$ East, 86.34 feet;

Thence South $46^{\circ} 56'31''$ East, 113.98 feet;

Thence South $75^{\circ} 43'10''$ East, 58.83 feet;

Thence South $37^{\circ} 48'28''$ East, 27.37 feet to the intersection with the South line of the Southwest quarter of the Southwest quarter;

Thence leaving said creek centerline and along said South line South $88^{\circ} 10'56''$ East, 116.80 feet to the true point of beginning.

PARCEL 3:

A portion of the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, described as follows:

Beginning at a point where the South line of the Northeast quarter of the Northwest quarter of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, intersects the West line of the Northern Pacific Railroad Company right of way;

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thence 600 feet Northerly along said railroad right of way;

thence West to the meander line of lake;

thence 600 feet Southerly to the South line of Lot 1 of said Section 21;

thence East to the Point of Beginning.

SAID parcel is now described as follows:

A tract of land situated in the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the intersection of the South line of the Northeast quarter of the Northwest quarter of Section 21 and the Westerly right of way of Montana Rail Link Railroad which is South 88° 55'48" East, 139.54 feet from the Southwest corner of said Northeast quarter of the Northwest quarter;

Thence leaving said South line and along said right of way the following two (2) courses:

On a non-tangential curve to the left having a central angle of 10° 44'25" (radial bearing = South 65° 01'49" West) a radius of 2664.79 feet, for an arc length of 499.53 feet (chord = North 30° 20'24" West, 498.80 feet);

Thence North 25° 10'12" West, 100.47 feet;

Thence leaving said right of way and parallel to the South line of Government Lot 1, North 88° 55'48" West, 936.05 feet to the meander line of Lake Pend Oreille as defined in the original GLO Survey;

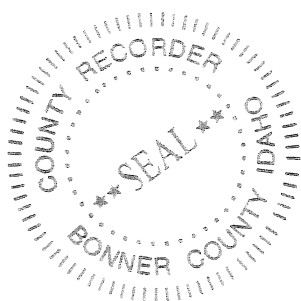
Thence along said meander line the following two (2) courses:

South 14° 25'48" East, 271.54 feet;

Thence South 46° 40'48" East, 378.00 feet to the intersection with the South line of Government Lot 1;

Thence along said South line South line South 88° 55'48" East, 748.52 feet to the Southeast corner of Government Lot 1;

Thence along the South line of the Northeast quarter of the Northwest quarter, South 88° 55'48" East, 139.54 feet to the true point of beginning.



STATE OF IDAHO

County of Bonner

I, Marie Scott, County Recorder in and for the county and state aforesaid, do hereby certify that the foregoing instrument is a true and correct copy of the original thereof recorded in my office by instrument number 706475.
Witness my hand and seal.

the 24 day of June, 2013
MARIE SCOTT, COUNTY RECORDER

By Cynthia Blannan Deputy

SANDPOINT TITLE INSURANCE

FILED BY

When Recorded Return to:

Sandpoint Title Insurance, Inc.
Nancy Albanese

724831

2007 MAR 15 P 4:32

MARIE SCOTT
BONNER COUNTY RECORDER

4924 NA

**Partial Termination of Real Property Purchase and Sale Agreement and Partial
Termination of Memorandum of Real Property Purchase and Sale Agreement**

This Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement is made effective as of this 14th day of March, 2007, by and between North Idaho Resorts, LLC, an Idaho limited liability company ("Seller"), and Pend Oreille Bonner Development Holdings, Inc., a Nevada corporation ("Buyer"), for the purpose of providing record notice that Seller and Buyer have partially terminated that certain Real Property Purchase and Sale Agreement and that certain Memorandum of Real Property Purchase and Sale Agreement recorded in on June 19, 2006 in Instrument No. 706475, Official Records of Bonner County, Idaho only as to the real property described in See Exhibit "A" attached hereto and by this reference made a part hereof. The partial termination of the Real Property Purchase and Sale Agreement and Memorandum of Real Property Purchase and Sale Agreement shall be recorded in Official Records of Bonner County, Idaho.

IN WITNESS WHEREOF, the parties have caused this Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement to become effective as of the day and year first above written.

Seller:

North Idaho Resorts, LLC
an Idaho limited liability company

By: Villelli Enterprises Inc., a California corporation
Its: Managing Member

By: Richard A. Villelli
Richard A. Villelli
Its: President

Buyer:

Pend Oreille Bonner Development Holdings, Inc.
a Nevada corporation

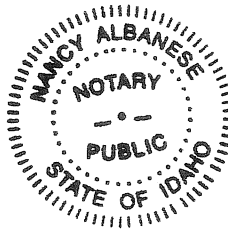
By: Charles W. Reeves
Charles W. Reeves
Its: President

STATE OF IDAHO)
) ss.
County of Bonner)

On this 16th day of March, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Richard A. Vilelli, known or identified to me to be the President of the Corporation that executed this instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public: Nancy Albanese
Residing at: Sandpoint
Commission expires: 1-31-11



STATE OF IDAHO)
) ss.
County of Bonner)

On this 14th day of March, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Charles W. Reeves, known or identified to me to be the President of the Corporation that executed this instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public: Nancy Albanese
Residing at: Sandpoint
Commission expires: 1-31-11

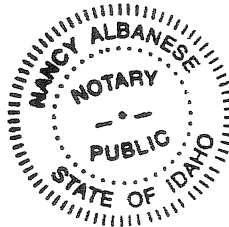


Exhibit "A"
Legal Description

Lot 10A, Block 2; Lots 2A, 3A and 4A, Block 4; Lot 2A, Block 7; Lots 2A and 3A, Block 9; Lot 1B, Block 10, of The Replat of Golden Tee Estates and Golden Tee Estates 1st Addition, according to the Plat thereof, recorded in Book 8 of Plats, Page 77, records of Bonner County, Idaho.

EXHIBIT "A"
Legal Description

The land referred to in this document is situated in the State of Idaho, County of **Bonner**, and is described as follows:

SECTION A:

PARCEL 1:

A tract of land located in Section 36, Township 58 North, Range 1 West AND Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

That portion of said Sections 36 and 31 lying East of Pack River Road, a county road, West of the Pack River, North of State Highway No. 200, and South of the South line of Government Lot 1 of said Section 31 and South of the South line of the Northeast quarter of the Northeast quarter of said Section 36;

LESS that land included in the Plat of Hidden Lakes Subdivision as recorded in Book 4 of Plats, page 64, records of Bonner County, Idaho.

ALSO LESS a parcel of land in Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho more particularly described as follows:

Commencing at the Southeast corner of said Section 36;

Thence North 52° 11'33" West 953.40 feet (record per Instrument No. 457973 = North 54° 29'10" West, 1010.58 feet) to a point on the Northerly right of way of State Highway No. 200 and the true point of beginning;

Thence North 01° 19'29" West, 244.70 feet (record per Instrument No. 457973 = North 01° 07'07" East, 244.28 feet);

Thence South 88° 04'08" West, 348.50 feet (record per Instrument No. 457973 = South 87° 52'03" West, 348.49 feet)

Thence South 01° 19'12" West, 250.00 feet (record per Instrument No. 457973 = South 01° 07'07" West, 250.00 feet) to the Northerly right of way of State Highway No. 200;

Thence along said right of way North 80° 34'19" East 66.04 feet (record per Instrument No. 457973 = North 79° 46'41" East, 66.62 feet);

Thence on a curve to the right having a central angle of 05° 47'35" and a radius of 2803.37 feet, for an arc distance of 283.45 feet (record per Instrument No. 457973 = a central angle of 05° 47'02" and an arc length of 282.99 feet) to the true point of beginning.

LESS a tract of land in Government Lot 2 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the intersection of the North line of said Government Lot 2 and an existing fence line marking the right of way of an old County Road, said point being South 89° 06'38" East, 398.07 feet from the Northwest corner of Government Lot 2 (record = 361.00 feet);

Thence along said fence line as noted of record per Instrument No. 217765 on a curve to the left (radial bearing = North 62° 13'42" East) having a central angle of 19° 17'35" and a radius of 650.32 feet, for an arc distance of 218.98 feet (chord = South 37° 25'05" East, 217.95 feet);

Thence continuing along said fence line, South 47° 03'53" East, 43.24 feet;

Thence North 89° 06'38" West, 12.33 feet;

Thence continuing along the fence line, South 59° 55'24" East, 65.99 feet to an iron pipe as described in Instrument No. 217765;

Thence along the fence line, South 70° 07'45" East, 262.49 feet to an iron pipe as described in Instrument No. 217765 (record = South 70° 18'00" East 262.00 feet;

Thence South 54° 48'04" East, 67.00 feet;

Thence North 40° 08'56" East, 168.45 feet to the right bank of Pack River (record = 200.00 feet to the thread of Pack River);

Thence North 40° 08'56" East to the intersection with the thread of Pack River;

Thence Northerly and upstream along the thread line of Pack River to the intersection with the North line of Government Lot 2 of said Section 31;

Thence South 89° 06'38" East, along said North line to the true point of beginning.

LESS any part of the above described property lying North and East of Pack River.

LESS a tract of land in Government Lots 1 and 2 of Section 31, Township 58 North, Range 1 East and the Southeast quarter of the Northeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho and more particularly described as follows:

Mary's Pack River Lots and all that property dedicated to the public for right of way as shown and recorded in Instrument No. 699091, records of Bonner County, Idaho.

PARCEL 2:

A tract of land located in Section 36, Township 58 North, Range 1 West AND Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, more fully described as follows:

Beginning at a point that is North 80 degrees 05' 57" East, a distance of 386.02 feet from the South quarter corner of said Section 36, said point also being at the intersection of the South right of way of State Highway No. 200 and the East right of way of the Old Country Road;

thence South 5 degrees 14' 00" East along said East right of way of the old country road, a distance of 171.80 feet;

thence continuing South 14 degrees 35' 50" East along said East right of way, a distance of 254.70 feet to an intersection with the North right of way of Old Highway No. 200 (FAP No. 95F);

thence North 72 degrees 38' 24" East along said North right of way, a distance of 372.40 feet;

thence continuing along said North right of way, North 72 degrees 58' 33" East, a distance of 336.00 feet to an intersection with the West high bank of Dry Creek;

thence Northeasterly along said West high bank, a distance of 578 feet, more or less, to an intersection with the South right of way of said State Highway No. 200;

thence Westerly along said South right of way the following six (6) courses:

- 1) Around a curve to the left with a radius of 2643.37 feet, a distance of 48.44 feet (the chord of which bears South 88 degrees 02' 31" West, a distance of 48.43 feet);
- 2) North 79 degrees 07' 52" West, 100.50 feet;
- 3) Around a curve to the left with a radius of 2668.37 feet, a distance of 247.30 feet (the chord of which bears South 82 degrees 54' 00" West, a distance of 247.24 feet) to a P.S.C.;
- 4) Along a spiral curve (S=2 degrees 12.3'), a distance of 207.68 feet (the chord of which bears South 70 degrees 27' 12" West, a distance of 207.67 feet) to a P.S.;
- 5) South 69 degrees 43' 21" West, 328.60 feet;
- 6) South 61 degrees 11' 30" West, 119.79 feet to the point of beginning.

AND TOGETHER WITH any portion of the old Highway right of way abandonment, described in that certain Quit Claim Deed, executed by the State of Idaho, as Instrument No. 696025 and recorded on January 11, 2006, lying within the bounds of the above described property

PARCEL 3:

A tract of land in Government Lot 1 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 484825 and more particularly described as follows:

Beginning at a point on the South line of said Government Lot 1, which is South 89° 06'38" East (record = South 89° 06'55" East) 330.00 feet from the Southwest corner of Government Lot 1, marked by a brass cap stamped RLS 974;

Thence parallel to the West line of the Section, North 00° 07'21" East, 118.03 feet;

Thence in a Southeasterly direction on a curve to the right (radial bearing = South 50° 01'02" West) having a central angle of 12° 44'09" and a radius of 233.31 feet, for an arc distance of 51.86 feet (chord = South 33° 36'53" East, 51.76 feet);

Thence South 27° 14'49" East, 79.53 feet;

Thence on a curve to the left (radial bearing = North 62° 45'11" East) having a central angle of 00° 31'29" (record = 00° 31'25") and a radius of 650.32 feet for an arc distance of 5.95 (record = 5.94 feet) feet (chord = South 27° 30'31" East, 5.95 feet), to the South line of Government Lot 1;

Thence along said South line North 89° 06'38" West (record = North 89° 06'55" West), 68.07 feet to the true point of beginning.

PARCEL 4:

A tract of land in Government Lot 1 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 495753 and more particularly described as follows:

Beginning at a point on the South line of said Government Lot 1, which is South 89° 06'38" East (record = South 89° 06'55" East) 330.00 feet from the Southwest corner of Government Lot 1, marked by a brass cap stamped RLS 974;

Thence parallel to the West line of the Section North 00° 07'21" East, 118.03 feet;

Thence on a curve to the left (radial bearing = South 50° 01'02" West) having a central angle of 04° 01'30" and a radius of 233.31 feet, for an arc distance of 16.39 feet (chord = North 41° 59'43" West 16.39 feet)

Thence North 44° 00'28" West 23.17 feet to the Southeasterly right of way of the Lower Pack River Road;

Thence along said right of way on a curve to the right (radial bearing = North 53° 09'38" West) having a central angle of 12° 32'30" and a radius of 275.00 feet, for an arc distance of 60.20 feet (chord = South 43° 06'37" West, 60.08 feet);

Thence leaving said right of way, South 44° 00'28" East, 20.15 feet;

Thence on a curve to the right having a central angle of 16° 45'40" and a radius of 173.31 feet, for an arc distance of 50.70 feet (chord = South 35° 37'39" East 50.52 feet);

Thence South 27° 14'49" East, 53.38 feet to the true point of beginning

PARCEL 5:

A tract of land in Government Lot 2 of Section 31, Township 58 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 495753 and more particularly described as follows:

Beginning at a point on the West line of said Government Lot 2 (West line of Section 31) which is South 00° 07'21" West, 200.00 feet from the Northwest corner of said Government Lot 2;

Thence parallel to the North line of Government Lot 2, South 89° 06'38" East (record = South 89° 06'55" East) 562.61 feet (record = 562.58 feet);

Thence North 47° 03'53" West, 43.24 feet (record = 43.21 feet);

Thence on a curve to the right having a central angle of 19° 17'35" (record = 19° 17'39") and a radius of 650.32 feet, for an arc distance of 218.98 feet (chord = North 37° 25'03" West 271.95 feet) to the North line of Government Lot 2;

Thence along said North line North 89° 06'38" West (record = North 89° 06'55" West) 68.07 feet;

Thence South 27° 14'49" East 26.15 feet;

Thence on a curve to the left having a central angle of 09° 49'00" and a radius of 710.32 feet, for an arc distance of 121.70 feet (chord = South 32° 09'19" East, 121.55 feet);

Thence South 80° 25'01" West 412.81 feet (record = South 80° 24'50" West 412.82 feet) to the point of beginning.

EXCEPTING from Parcels 1, 3, 4 and 5, the following two tracts:

Lot 1, Block 20 of the replat of Golden Tee Estates and Golden Tee Estates 1st Addition and unplatted land according to the plat thereof, recorded in Book 8 of Plats, Page 77, records of Bonner County, Idaho.

SECTION B:

PARCEL 1:

Lot 1 in Block 1 of the FIRST ADDITION TO HIDDEN LAKES, according to the plat thereof, recorded in Book 4 of Plats, page 161, records of Bonner County, Idaho.

PARCEL 2:

Lots 2, 3, 4, 5 in Block 2 of the SECOND ADDITION TO HIDDEN LAKES SUBDIVISION, according to the plat thereof, recorded in Book 5 of Plats, Page 58, records of Bonner County, Idaho.

PARCEL 3:

A tract of land in the East half of the Northeast quarter of the Southwest quarter and the Northwest quarter of the Southeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the Southeast corner of the East half of the Northeast quarter of the Southwest quarter of said Section 36;

Thence along the South line of the East half of the Northeast quarter of the Southwest quarter, North 89° 36'27" West, 661.51 feet (record = North 89° 37'10" West, 661.57 feet to the Southwest corner of the East half of the Northeast quarter of the Southwest quarter;

Thence along the West line of the East half of the Northeast quarter of the Southwest quarter, North 00° 10'22" East 856.45 feet (record = North 00° 09'25" East, 856.45 feet);

Thence North 89° 10'53" East, 30.21 feet (record = East, 29.58 feet) to the Westerly right of way of Berry Drive (shown as Olympic Drive on the Second Addition Plat to Hidden Lakes);

Thence Southeasterly along said right of way the following six (6) courses:

1. on a non tangential curve to the left (radial bearing = North 87° 39'13" East) having a central angle of 36° 44'06" and a radius of 131.00 feet for an arc distance of 83.99 feet (record = 84.54 feet) (chord = South 20° 42'50" East, 82.56 feet - record = South 20° 37'27" East, 83.08 feet);
2. thence South 39° 04'53" East, 419.67 feet (record = South 39° 06'45" East, 419.68 feet);
3. thence on a curve to the left having a central angle of 11° 42'45" and a radius of 530.00 feet for an arc distance of 108.34 feet (chord = South 44° 56'16" East, 108.15 feet - record = South 44° 58'08" East, 108.16 feet);
4. thence South 50° 47'39" East, 69.68 feet (record = South 50° 49'31" East, 69.68 feet);
5. thence on a curve to the right having a central angle of 23° 42'51" and a radius of 970.00 feet, for an arc distance of 401.47 feet (chord = South 38° 56'14" East, 398.61 feet - record = South 38° 58'05" East 398.61 feet);
6. thence South 27° 04'48" East, 31.65 feet to the South line of the Northwest quarter of the Southeast quarter (record = South 27° 06'40" East, 30.77 feet);

thence leaving said right of way North 89° 36'03" West, 60.37 feet (record = North 89° 37'09" West, 59.55 feet) to the point of beginning.

PARCEL 4:

A tract of land located in a portion of the Southwest quarter of the Southeast quarter of Section 36, Township 58 North, Range 1 West, Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the Northwest corner of said Southwest quarter of the Southeast quarter of Section 36;

Thence South 89° 36'03" East 60.37 feet (record = South 89° 37'09" East, 59.55 feet) to the Westerly right of way of Berry Drive (shown as Olympic Drive on the Plat of the Second Addition to Hidden Lakes);

Thence along said right of way for the following four (4) courses:

1. South 27° 04'48" East, 299.95 feet (record = South 27° 06'40" East, 300.83 feet);
2. North 62° 55'12" East, 60.00 feet (record = North 62° 53'20" East, 60.00 feet);
3. North 27° 04'48" West, 125.34 feet (record = North 27° 06'40" West, 125.34 feet);
4. thence on a curve to the right having a central angle of 79° 01'27" and a radius of 25.00 feet, for an arc distance of 34.48 feet (chord = North 12° 25'55" East, 31.81 feet - record = North 12° 24'03" East, 31.81 feet) to a point on the Southerly right of way of Fairway View Drive, as shown on the Plat of First Addition to Hidden Lakes;

thence along said right of way for the following eight (8) courses:

1. North 51° 56'39" East, 74.67 feet (record = North 51° 54'47" East, 74.67 feet);
2. thence on a curve to the right having a central angle of 99° 26'33" and a radius of 70.00 feet, for an arc distance of 121.49 feet (chord = South 78° 20'05" East, 106.81 feet - record = South 78° 21'57" East, 106.81 feet);
3. thence South 28° 36'48" East, 154.03 feet (record = South 28° 38'40" East, 154.03 feet);
4. thence on a curve to the right having a central angle of 55° 41'27" and a radius of 90.00 feet for an arc distance of 87.48 feet (chord = South 00° 46'05" East, 84.08 feet - record = South 00° 47'56" East, 84.08 feet);
5. thence South 27° 04'39" West, 170.14 feet;
6. thence on a curve to the right having a central angle of 71° 37'11" and a radius of 60.0 feet, for an arc distance of 75.00 feet (chord = South 08° 43'57" East, 70.21 feet);
7. thence South 44° 32'32" East, 50.94 feet;
8. thence on a curve to the right having a central angle of 69° 10'16" and a radius of 25.00 feet, for an arc distance of 30.18 feet (chord = South 09° 57'24" East, 28.38 feet - record = South 11° 23'51" East, 30.18 feet) to a point on the West right of way of Lower Pack River Road;

thence Southerly along said right of way for the following four (4) courses:

1. on a non tangential curve to the right having a central angle of 04° 15'19" and a radius of 1180.00 feet for an arc distance of 87.69 feet (chord = South 22° 30'38" West, 87.67 feet);
2. thence South 20° 22'44" West, 114.57 feet;

3. thence on a curve to the left having a central angle of $22^{\circ} 29' 50''$ and a radius of 502.65 feet, for an arc distance of 197.36 feet (chord = South $09^{\circ} 07' 49''$ West, 196.10 feet)

4. thence South $02^{\circ} 07' 06''$ East, 157.81 feet to the Northerly right of way of State Highway No. 200;

thence along the highway right of way, South $77^{\circ} 42' 28''$ West, 72.14 feet (record = South $78^{\circ} 15' 06''$ West, 71.11 feet);

thence continuing along the Highway right of way, South $69^{\circ} 44' 57''$ West, 262.22 feet (record = South $69^{\circ} 43' 16''$ West, 261.65 feet) to the West line of the Southwest quarter of the Southeast quarter of said Section 36;

thence along the West line of the Southwest quarter of the Southeast quarter, North $00^{\circ} 08' 19''$ East, 1223.36 feet (record = North $00^{\circ} 07' 13''$ East, 1223.17 feet) to the point of beginning.

PARCEL 5:

That portion of the Southeast quarter of the Northeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, lying West of the Lower Pack River Road,

EXCEPT the First Addition to Hidden Lakes Subdivision, according to the plat thereof, recorded in Book 4 of Plats, Page 161, record of Bonner County, Idaho.

SECTION C:

PARCEL 1:

All that portion of the Southeast Quarter in Section 36, Township 58 North, Range 1 West, Boise Meridian, Bonner County, Idaho, lying South of State Highway 200; and all that portion of Government Lot 4 in Section 31, Township 58 North, Range 1 East, Boise Meridian, Bonner County, Idaho, lying South of State Highway 200;

LESS the following described property:

A tract of land in the Southeast quarter of Section 36, Township 58 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, being that property described in Instrument No. 92981, records of Bonner County, Idaho and more particularly described as follows:

Commencing at the Southeast corner of said Section 36;

Thence along the East line of Section 36, North $00^{\circ} 08' 06''$ East, 460.00 feet;

Thence perpendicular to the East line of the Section, North $89^{\circ} 51' 54''$ West, 568.00 feet to the true point of beginning;

Thence South $47^{\circ} 08' 06''$ West, 250.00 feet;

Thence South $42^{\circ} 51' 54''$ East, 348.50 feet;

Thence North $47^{\circ} 48' 06''$ East, 250.00 feet;

Thence North $42^{\circ} 51' 54''$ West, 348.50 feet to the true point of beginning.

AND

All that portion of Government Lots 2, 3, 4, 5, 6, 7, 8 and 9; the Southwest quarter of the Northeast quarter; and the South half of the Northwest quarter of Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho, lying South of State Highway No. 200 and lying North and East of the Northern Pacific Railroad (now Montana Rail Link) right of way.

LESS that portion of Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho; being that property described in Instrument No. 592059 and more particularly described as follows:

Beginning at a right of way monument on the South right of way of State Highway No. 200, from which the Northwest corner of said Section 2 bears North 25° 54'43" West, 798.00 feet (record = North 26° 28'08" West, 798.11 feet;

Thence along the South right of way of the Highway, North 68° 35'39" East, 266.10 feet;

Thence continuing along the Highway right of way, on a curve to the e left (radial bearing = North 14° 03'28" West) having a central angle of 00° 08'55" and a radius of 5799.58 feet for an arc distance of 15.03 feet (chord = North 75° 52'05" East, 15.03 feet - total distance along right of way from point of beginning = 281.13 feet - record = 281.13 feet);

thence leaving said right of way South 00° 04'10" West, 725.53 feet;

Thence North 89° 14'40" West, 330.00 feet;

Thence North 00° 03'26" West 607.20 feet, to the Southerly right of way of State Highway No. 200;

Thence along said right of way North 79° 11'55" East, 70.38 feet to the true point of beginning.

LESS a tract of land located in Section 36, Township 58 North, Range 1 West and Section 2, Township 57 North, Range 1 West of the Boise Meridian, Bonner County, Idaho; being a portion of that property described in Instrument No. 464572 and more particularly described as follows:

Beginning at a point that is North 80° 05'57" East 386.02 feet from the South quarter of said Section 36, said point also being at the intersection of the South right of way of State Highway No. 200 and the East right of way of the Old County Road;

Thence South 05° 14'00" East along the East right of way of the Old County Road, 171.80 feet;

Thence continuing South 14° 35'50" East along said East right of way, 254.70 feet to the intersection with the North right of way of Old Highway 200 (FAP No. 95F);

Thence North 72° 38'24" East along said North right of way, 372.40 feet;

Thence continuing along said North right of way, North 72° 58'33" East, 336.00 feet to the intersection with the West high bank of Dry Creek;

Thence Northeasterly along said West high bank, a distance of 578 feet, more or less, to the intersection with the South right of way of State Highway No. 200;

Thence Westerly along said South right of way the following six (6) courses:

1. around a curve to the left with a radius of 2643.37 feet, a distance of 48.44 feet (chord = South 88° 02'31" West, 48.43 feet);
2. North 79° 07'52" West, 100.50 feet;
3. around a curve to the left with a radius of 2668.37 feet for a distance of 247.30 feet (chord = South 82°

54'00" West, 247.24 feet);

4. along a spiral curve (South = 02° 12'18"), a distance of 207.68 feet (chord = South 70° 27'12" West, 207.67 feet);

5. South 69° 43'21" West, 328.60 feet;

6. South 61° 11'30" West, 119.79 feet to the point of beginning.

TOGETHER WITH any portion of the old highway right of way abandonment described in that certain Quitclaim Deed, executed by the State of Idaho, as Instrument No. 696025 and recorded on January 11, 2006, and lying within the bounds of the above described property.

AND

Government Lots 5, 9, 10 and 11; the Southeast quarter of the Northwest quarter; the East half of the Southwest quarter; and Government Lot 6, all in Section 6, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho.

LESS that property described in Instrument No. 22533, records of Bonner County, Idaho, and described as follows:

Beginning at the North quarter corner of said Section 6, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho;

Thence South 1669.70 feet to Pack River and the True Point of Beginning;

Thence South 66° 47' West, 203 feet;

Thence South 69° 54' West 165.3 feet;

Thence South 79° 56' West, 242.5 feet;

Thence South 01° 11' East, 146 feet;

Thence South 25° 18' East, 118.20 feet;

Thence South 54° 29' East, 137.2 feet;

Thence South 68° 10' East, 267.1 feet;

Thence North 535.6 feet to a point 1669.7 feet South of the North quarter corner of Section 6.

LESS a tract of land in Government Lot 6 and the Southeast quarter of the Northwest quarter of Section 6, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, being that property identified as Tract No. Q-1755-2 in Instrument No. 42975 and more particularly described as follows:

Beginning at a point on the Southerly right of way of State Highway No. 200 which is South 55° 03'21" East, 2460.29 feet from the Northwest corner of said Section 6 (record = South 55° 14' East, 2451.3);

Thence South 14° 53'00" East, 223.22 feet (record);

Thence South 04° 43'00" East, 640.00 feet (record);

Thence South 39° 48'00" East, 430.00 feet (record);

Thence South 30° 28'00" East, 387.49 feet (record = 500 feet plus or minus) to the East line of the Southeast quarter of the Northwest quarter of said Section 6.

TOGETHER WITH any portion of the Old Highway right of way abandonment described in that certain Quitclaim Deed, executed by the State of Idaho, as Instrument No. 696025 and recorded on January 11, 2006, lying within the bounds of the above described property

EXCEPTING therefrom all of the above described properties, any portion lying within the bounds of the following Plats:

Replat of Golden Tee Estates and Golden Tee Estates 1st Addition and unplatted land, recorded in Book 8 of Plats, Page 77.

Golden Tee Estates- 2nd Addition, recorded in Book 8 of Plats, Page 79

Golden Tee Estates - 3rd Addition, recorded in Book 8 of Plats, Page 78,

Golden Tee Estates - 4th Addition, recorded in Book 8 of Plats, Page 80,

Golden Tee Estates - 5th Addition, recorded in Book 8 of Plats, Page 81 and Golden Tee Estates- 6th, recorded in Book 8 of Plats, Page 82

PARCEL 2:

Lots 1, 2, 4, 5, 6, 7, 8, 9 and 10, Block 1; Lots 1, 2, 3, 4, 5, 7, 8, 9 and 10, Block 2; Lots 1, 2, 3, 6, and 10, Block 3 of Golden Tee Estates 2nd Addition according to the Plat thereof, recorded in Book 8 of Plats, Page 79, records of Bonner County, Idaho and

Lots 1, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 Block 1; Lot 1, Block 2; Lots 1, 2, 3, 4, 5, 6, 7 and 8, Block 3; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 15, Block 4; Lots 1, 2, 7 and 8, Block 5; Lots 1, 2, 3, and 4, Block 6; Lots 3, 5, 6 and 10, Block 7; Lots 1, 2, 4, 5 and 6 Block 8; Lots 2, 3, 4 and 5, Block 9; Lots 6, and 8, Block 10; Lot 2 Block 11 of Golden Tee Estates 3rd Addition, according to the Plat thereof, recorded in Book 8 of Plats, Page 78, records of Bonner County, Idaho.

AND

Lots 1, 2, 3, 5, 6, 7 and 8, Block 1; Lots 2, and 5, Block 2; Lots 1, 2 and 3, Block 3; Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9, Block 4; Lots 1, 4, 5, 6 and 7, Block 5 of Golden Tee Estates 4th Addition, according to the Plat thereof, recorded in Book 8 of Plats, Page 80, records of Bonner County, Idaho.

AND

Lots 1, 4, 5, 6, 7, 8 and 9, Block 1; Lots 1, 3, 5, 6, 7, 8, 9, 10 and 11, Block 2 of Golden Tee Estates 5th Addition, according to the Plat thereof, recorded in book 8 of Plats, Page 81 records of Bonner County, Idaho.

AND

Lots 2, 6, 7 and 8, block 1; Lots 1, 2, 3, 4 and 5, Block 2; Lot 1, Block 3; Lots 1, 2, 3, 4 and 5, Block 4; Lot 1, Block 5 of Golden Tee Estates 6th Addition, according to the Plat thereof, recorded in Book 8 of Plats, Page 82, records of Bonner County, Idaho.

SECTION D:

PARCEL 1:

That portion of the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East, Boise Meridian, lying West of the State Highway No. 200 right of way and East of the Northern Pacific Railway right of way; and lying North of the North line of the following described tract:

Beginning at a point where the Section line between Sections 16 and 21, Township 57 North, Range 1 West, Boise Meridian, intersects the State Highway on the Westerly side as it now exists;

thence in a Northwesterly direction along the Westerly side of said Highway, 752 feet;

thence in a Southwesterly direction, 97 feet;

thence in a Southeasterly direction, 672 feet to the Section line between Sections 16 and 21;

thence East on said Section line between said Sections 16 and 21, 104.25 feet, more or less, to the place of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, lying Southwest of the right of way of State Highway No. 200 and Northeast of the right of way of Montana Rail Link Railway; being a portion of that property described as Parcel 1 of Instrument No. 168846 and more particularly described as follows:

Commencing at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Northeasterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10' 56''$ East, 944.95 feet from the Southwest corner of Section 16;

Thence leaving said South line and along said right of way North $23^{\circ} 38' 59''$ West, 672.00 feet to the true point of beginning;

Thence continuing along said right of way North $23^{\circ} 38' 59''$ West, 786.99 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter;

Thence leaving said right of way and along said North line South $88^{\circ} 43' 23''$ East, 241.38 feet to the Westerly right of way of State Highway No. 200;

Thence leaving said North line and along said right of way the following four (4) courses:

on a non-tangential curve to the right having a central angle of $01^{\circ} 19' 25''$ (radial bearing = South $73^{\circ} 15' 16''$ West), a radius of 768.50 feet, for an arc length of 17.75 feet (chord = South $16^{\circ} 06' 41''$ East, 17.75 feet);

Thence along a line offset 50.00 feet Westerly of and parallel to a spiral curve (centerline $ls = 200$ feet, $a = 3.5$, $S = 7^{\circ}$) for a chord of South $10^{\circ} 43' 01''$ East 193.87 feet);

Thence South $08^{\circ} 25' 19''$ East, 86.06 feet;

Thence on a curve to the left having a central angle of $13^{\circ} 56' 48''$, a radius of 1482.53 feet, for an arc length of 360.87 feet (chord = South $15^{\circ} 23' 43''$ East, 359.98 feet);

Thence leaving said right of way South $44^{\circ} 37' 10''$ West, 106.45 feet (record = "Southwesterly 97 feet") to the true point of beginning.

PARCEL 2:

That part of the Southwest quarter of the Southwest quarter in Section 16, Township 57 North, Range 1 East of the Boise Meridian, lying South and West of the Burlington Northern Inc. Railway right of way and

Government Lot 5 in Section 17, Township 57 North, Range 1 East, of the Boise Meridian, save and excepting therefrom:

The South 350 feet of Government Lot 5 in said Section 17, and also that part of the Southwest quarter of the Southwest quarter in said Section 16 lying Westerly of said Burlington Northern Inc. right of way as now in use and described as follows:

Beginning at the Southwest corner of said Section 16;

thence North along the West Section line 350 feet;

thence East to the centerline of Trestle Creek;

thence Southeasterly along said centerline to the South line of Section 16;

thence West along the Section line 720 feet, more or less, to the point of beginning.

SAID parcel is now described as follows:

A tract of land situated in the Southwest quarter of the Southwest quarter of Section 16, lying Southwest of Montana Rail Link Railroad right of way and Government Lot 5 of Section 17, all in Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho; being a portion of that property described as Parcel 2 of Instrument No. 168846 and more particularly described as follows:

Beginning at the intersection of the South line of the Southwest quarter of the Southwest quarter of Section 16 and the Southwesterly right of way of Montana Rail Link Railway which is South $88^{\circ} 10'56''$ East, 834.19 feet from the Southwest corner of Section 16:

Thence leaving said South line and along said right of way North $23^{\circ} 38'59''$ West, 1457.84 feet to the intersection with the North line of the Southwest quarter of the Southwest quarter;

Thence leaving said right of way and along the North line of the Southwest quarter of the Southwest quarter, North $88^{\circ} 43'23''$ West, 243.71 feet to the Northwest corner of the Southwest quarter of the Southwest quarter;

Thence along the North line of Government Lot 5 in Section 17, North $89^{\circ} 23'45''$ West, 1223.84 feet to the meander line of Lake Pend Oreille, as defined by the original GLO Survey;

Thence leaving said North line and along said meander line the following two (2) course:

South $52^{\circ} 55'48''$ East, 561.00 feet;

Thence South $37^{\circ} 55'48''$ East, 798.96 feet to a point on a line lying 350.00 feet North of and parallel to the South line of the Southwest quarter of the Southwest quarter of Section 16;

Thence along said parallel line, South $88^{\circ} 10'56''$ East, 281.27 feet to the West line of the said Southwest quarter of the Southwest quarter;

Thence continuing South $88^{\circ} 10'56''$ East, 159.02 feet to the intersection with the centerline of Trestle Creek;

Thence along the centerline of Trestle Creek the following eight (8) courses:

South $52^{\circ} 54'34''$ East, 63.58 feet;

Thence South $44^{\circ} 37'26''$ East, 117.83 feet;

Thence South 42° 08'45" East, 77.28 feet;

Thence South 80° 05'07" East, 145.49 feet;

Thence South 55° 15'32" East, 86.34 feet;

Thence South 46° 56'31" East, 113.98 feet;

Thence South 75° 43'10" East, 58.83 feet;

Thence South 37° 48'28" East, 27.37 feet to the intersection with the South line of the Southwest quarter of the Southwest quarter;

Thence leaving said creek centerline and along said South line South 88° 10'56" East, 116.80 feet to the true point of beginning.

PARCEL 3:

A portion of the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East, Boise Meridian, Bonner County, Idaho, described as follows:

Beginning at a point where the South line of the Northeast quarter of the Northwest quarter of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, intersects the West line of the Northern Pacific Railroad Company right of way;

thence 600 feet Northerly along said railroad right of way;

thence West to the meander line of lake;

thence 600 feet Southerly to the South line of Lot 1 of said Section 21;

thence East to the Point of Beginning.

SAID parcel is now described as follows:

A tract of land situated in the Northeast quarter of the Northwest quarter and Government Lot 1 of Section 21, Township 57 North, Range 1 East of the Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Beginning at the intersection of the South line of the Northeast quarter of the Northwest quarter of Section 21 and the Westerly right of way of Montana Rail Link Railroad which is South 88° 55'48" East, 139.54 feet from the Southwest corner of said Northeast quarter of the Northwest quarter;

Thence leaving said South line and along said right of way the following two (2) courses:

On a non-tangential curve to the left having a central angle of 10° 44'25" (radial bearing = South 65° 01'49" West) a radius of 2664.79 feet, for an arc length of 499.53 feet (chord = North 30° 20'24" West, 498.80 feet);

Thence North 25° 10'12" West, 100.47 feet;

Thence leaving said right of way and parallel to the South line of Government Lot 1, North 88° 55'48" West, 936.05 feet to the meander line of Lake Pend Oreille as defined in the original GLO Survey;

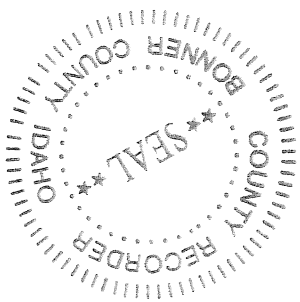
Thence along said meander line the following two (2) courses:

South 14° 25'48" East, 271.54 feet;

Thence South 46° 40' 48" East, 378.00 feet to the intersection with the South line of Government Lot 1;

Thence along said South line South line South 88° 55' 48" East, 748.52 feet to the Southeast corner of Government Lot 1;

Thence along the South line of the Northeast quarter of the Northwest quarter, South 88° 55' 48" East, 139.54 feet to the true point of beginning.



STATE OF IDAHO

County of Bonner

I, Marie Scott, County Recorder in and for the county and state aforesaid, do hereby certify that the foregoing instrument is a true and correct copy of the original thereof recorded in my office by instrument number 724831.

Witness my hand and seal.

the 24 day of June 20 13
MARIE SCOTT, COUNTY RECORDER

By Cynthia Brannon Deputy

When Recorded Return to:

Sandpoint Title Insurance, Inc.
Nancy Albanese

4924 NA

768269

SANDPOINT TITLE INSURANCE
FILED BY
724831 2007 MAR 15 P 4:32
MARIE SCOTT
BONNER COUNTY RECORDER
DEPUTY

**Partial Termination of Real Property Purchase and Sale Agreement and Partial
Termination of Memorandum of Real Property Purchase and Sale Agreement**

This Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement is made effective as of this 14th day of March, 2007, by and between North Idaho Resorts, LLC, an Idaho limited liability company ("Seller"), and Pend Oreille Bonner Development Holdings, Inc., a Nevada corporation ("Buyer"), for the purpose of providing record notice that Seller and Buyer have partially terminated that certain Real Property Purchase and Sale Agreement and that certain Memorandum of Real Property Purchase and Sale Agreement recorded in on June 19, 2006 in Instrument No. 706475, Official Records of Bonner County, Idaho only as to the real property described in See Exhibit "A" attached hereto and by this reference made a part hereof. The partial termination of the Real Property Purchase and Sale Agreement and Memorandum of Real Property Purchase and Sale Agreement shall be recorded in Official Records of Bonner County, Idaho.

IN WITNESS WHEREOF, the parties have caused this Partial Termination of Real Property Purchase and Sale Agreement and Partial Termination of Memorandum of Real Property Purchase and Sale Agreement to become effective as of the day and year first above written.

Seller:

THIS DOCUMENT IS BEING RE-RECORDED TO
CORRECT THE LEGAL DESCRIPTION.

North Idaho Resorts, LLC
an Idaho limited liability company

By: Villelli Enterprises Inc., a California corporation
Its: Managing Member

By: Richard A. Villelli
Richard A. Villelli
Its: President

Buyer:

Pend Oreille Bonner Development Holdings, Inc.
a Nevada corporation

By: Charles W. Reeves
Charles W. Reeves
Its: President

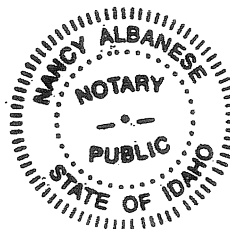
FILED BY
SANDPOINT TITLE INSURANCE
2009 MAR 11 P 4:02
MARIE SCOTT
BONNER COUNTY RECORDER
DEPUTY

STATE OF IDAHO)
) ss.
County of Bonner)

On this 16th day of March, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Richard A. Vilelli, known or identified to me to be the President of the Corporation that executed this instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public: Nancy Albanese
Residing at: Sandpoint
Commission expires: 1-31-11



STATE OF IDAHO)
) ss.
County of Bonner)

On this 14th day of March, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Charles W. Reeves, known or identified to me to be the President of the Corporation that executed this instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that said Corporation executed the same.

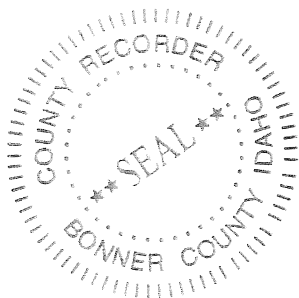
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public: Nancy Albanese
Residing at: Sandpoint
Commission expires: 1-31-11



Exhibit "A"
Legal Description

Lot 10A, Block 2; Lots 2A, 3A and 4A, Block 4; Lot 2A, Block 7; Lots 2A and 3A, Block 9; Lot 1B, Block 10, of The Replat of Golden Tee Estates and Golden Tee Estates 1st Addition, according to the Plat thereof, recorded in Book 8 of Plats, Page 77, records of Bonner County, Idaho.



STATE OF IDAHO
County of Bonner

I, Marie Scott, County Recorder in and for the county and state aforesaid, do hereby certify that the foregoing instrument is a true and correct copy of the original thereof recorded in my office by instrument number 208269.
Witness my hand and seal.

the 25 day of June 2013
MARIE SCOTT, COUNTY RECORDER

By Bandi Elaherty Deputy

DEPT

Alter and Amend Order Granting Partial Summary Judgment and Motion to Reconsider by JV, LLC (herein "JV").

This Memorandum in Opposition is supported and based upon the Court's records and files in this matter including, without limitation, the plaintiff's Motion and supporting points, authorities, Request for Judicial Notice and affidavits filed in support of its Motion for Partial Summary Judgment, and upon the plaintiff's reply brief in response to JV's opposition to the underlying motion, and will be further supported by oral argument that may be presented at the hearing of this matter.

MEMORANDUM

A party filing a motion to reconsider pursuant to Rule 11(a)(2)(B) carries the burden of bringing to the trial court's attention the new facts. *Idaho First Nat'l Bank v. David Steed & Assoc*, 121 Idaho 356, 361 (1992).

JV tenders no new legal arguments in its request for reconsideration. The same basic legal arguments previously tendered are regurgitated to the Court, several times within the eighteen (18) page brief, with the hope that newly "discovered" material from records produced at depositions that followed the summary judgment hearing, but preceded the receipt of the Court's ruling, would somehow be admissible and lend support to the finding of a "genuine issue of material fact". The material is the subject of plaintiff's contemporaneous Written Objections to Presented Evidence and should not be considered by the Court, and if considered provide no

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO ALTER AND AMEND ORDER GRANTING PARTIAL
SUMMARY JUDGMENT AND MOTION TO RECONSIDER BY JV, LLC**

reason for the Court to modify its prior ruling.

JV's legal arguments again offered are: 1. Its mortgage was recorded **June 19, 2006**, first in time first in priority, as related to the plaintiff's mortgage recorded **March 25, 2008**, a timing fact that is not in dispute; 2. Plaintiff gave no consideration and JV received no consideration for the March 2008 renewal note and the Subordination; 3. That because the Subordination Agreement was not signed by the Bank – that no “agreement” was consummated and therefore the Bank has no enforceable right against JV; and 4. (related to 2.) JV had a different understanding as to the reasons for the Subordination and the consideration provided because of fraudulent representations by POBD to JV.

JV's “newly discovered evidence”, while improperly presented to the Court by not asking the Court to admit the deposition transcript(s) and exhibits and therefore objectionable on that procedural basis alone, consists of the following series of email communications from a William Sterling, an attorney representing Pend Oreille Bonner Development, LLC (“POBD”) directed to Gary Finney, the attorney THEN AND NOW representing JV and copied to other interested parties or agents – not addressed or copied to the Bank:

- a. A March 31, 2008 email, dated interestingly enough at the approximate time of the RENEWAL note required by and between the bank and POBD which discusses the required Subordination Agreement that was eventually signed August 6, 2008;
- b. A July 24, 2008 at 12:05 pm email which discusses again the Subordination Agreement and the upcoming funding/closing (and it should be noted that the “funding/closing” that

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO ALTER AND AMEND ORDER GRANTING PARTIAL
SUMMARY JUDGMENT AND MOTION TO RECONSIDER BY JV, LLC**

is being discussed is from Barny Ng or one of his entities that is to create restructuring of the debt on the Idaho Club project, including Trestle Creek);

- c. A July 24, 2008 at 3:55 pm email which discusses again the closing of the restructuring loans being finalized, how the proceeds would be distributed, that JV would be getting (and did receive) a \$300,000 amount out of this new lending (again this is not new lending from the Bank, but from Barny Ng or one of his entities) and the Subordination Agreement related to Trestle Creek would then be recorded.

If any affect, the proffered emails lend support to plaintiff's position not reasons for reconsideration of the adverse ruling to JV. EACH AND EVERYONE OF THESE EMAILS are the subject of plaintiff's contemporaneous Written Objections to Presented Evidence as to admissibility, as they are extrinsic documents that do nothing to contradict the written provisions of the Subordination Agreement or to provide a reason or reasons for this Court to change its ruling in favor of the Bank on Summary Judgment. Reference is made to the PLAINTIFF'S REPLY MEMORANDUM TO DEFENDANT JV, LLC'S OPPOSITION TO PLAINTIFF'S MOTION FOR PARTIAL SUMMARY JUDGMENT filed in this matter, pages 3-6 whereat plaintiff's parol evidence and integrated document arguments and authorities are given to the Court and which remain controlling as to these proffered emails. Plaintiff repeats its prior arguments below so that the Court does not have to refer back to the prior document:

The self-serving comments of Mr. Berry's Affidavit, paragraphs 13 through 17, related to what he was told by POBD (Mr. Reeves) while perhaps true are in direct contradiction to

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO ALTER AND AMEND ORDER GRANTING PARTIAL
SUMMARY JUDGMENT AND MOTION TO RECONSIDER BY JV, LLC**

the very terms of the Subordination. The clear and unambiguous terms of the Subordination Agreement in regards to Mr. Berry's understandings as asserted in his Affidavit are worth repeating as follows in pertinent part now highlighted in yellow for the Court:

3. Creditor hereby subordinates the lien of Creditor's Deed of Trust, but only as said lien encumbers and pertains to property described on Exhibit A hereto, to the lien of the mortgage dated March 7, 2008 and recorded March 25, 2008 as Instrument No. 748379 and 748380 (the "FNB Mortgage") to secure a loan (the "FNB Loan") which FNB has heretofore made to Borrower which FNB amount of Five Million Dollars (\$5,000,000), the proceeds of which Borrower has used to pay off the existing indebtedness of Borrower and/or Holdings, Inc. and/or to pay for the improvement and development of property encumbered by Creditor's Deed of Trust, including the property described on Exhibit A and/or interest, fees, and charges payable to FNB on account of the FNB Loan.
And:

9. This Agreement constitutes the entire agreement and understanding between and among the parties hereto relating to the subject matter hereof, and supersedes, all prior proposals, negotiations, agreements and understandings among the parties hereto with respect to such subject matter.

PAROL EVIDENCE

The common law rule has been stated: "If a written contract is complete upon its face and unambiguous, no fraud or mistake being alleged, extrinsic evidence of prior or contemporaneous negotiations or conversations is not admissible to contradict, vary, alter, add to, or detract from the terms of the contract." *Howard v. Perry*, 141 Idaho 139 (2005). *See also Valley Bank v. Christensen*, 119 Idaho 496, 498, (1991).

The Supreme Court reiterated in *Howard* that under the common law rule, the presence of a merger clause in a written contract conclusively establishes that the agreement is integrated and therefore subject to the parol evidence rule.

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
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Under the parol evidence rule, when a contract has been reduced to a writing that the parties intend to be a final statement of their agreement, evidence of any prior or contemporaneous agreements or understandings which relate to the same subject matter is not admissible to vary, contradict, or enlarge the terms of the written contract. *Simons v. Simons*, 134 Idaho 824, 828, 11 P.3d 20, 24 (2000). An integrated writing proves the terms of the contract; it does not “establish fictitious events.” Restatement (Second) of Contracts § 218 cmt. a.

The Subordination Agreement given and recorded by or with the cooperation of JV on August 6, 2008 as Instrument No. 756403, in favor of the plaintiff’s mortgage IS A FULLY INTEGRATED CONTRACT, paragraph 9 see above. Further, the Subordination recites the consideration given, i.e., the extension of credit by the plaintiff to POBD in the sum of \$5,000,000, a loan that has been admitted by POBD. Any argument about what JV thought or believed or understood about the \$5,000,000 loan and its use by POBD that conflicts with the clear and unambiguous language of the Subordination Agreement is nothing more than inadmissible parol evidence.

The arguments of JV of lack of consideration and that JV had different understandings as to the generation of the loan and its use as both specious as a matter of law.

JV does not allege any fraud on the part of the plaintiff in obtaining the Subordination Agreement. The attempt to use fraud as a means to circumvent the parol evidence rule is therefore also specious.

// //

**PLAINTIFF’S MEMORANDUM IN OPPOSITION TO MOTION
TO ALTER AND AMEND ORDER GRANTING PARTIAL
SUMMARY JUDGMENT AND MOTION TO RECONSIDER BY JV, LLC**

CONCLUSION:

For the foregoing reasons, this Court's August 28, 2013 Memorandum and Order Granting Partial Summary Judgment (two documents) were appropriate, supported by the facts and the law, and SHOULD NOT be disturbed, altered, modified, reconsidered or amended.

Dated this 12th day of December 2013.

*The Law Office of John E. Miller
A Professional Corporation*

By: 

John E. Miller, Esq.
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 12th day of December 2013, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

☐ mailed postage prepaid
☒ Facsimile transmitted to
☐ hand delivered

Bruce Anderson
ELSAESSER JARZABEK ANDERSON
ELLIOTT & MACDONALD, CHTD
320 East Neider Ave., Suite 102
Coeur d'Alene, ID 83815

Fax (208) 667-2150

R. Wayne Sweeney
Jonathon D. Hallin
LUKINS & ANNIS, P.S.
601 E. Front Ave., Suite 502
Coeur d'Alene, ID 83814

Fax (208) 666-4111

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO ALTER AND AMEND ORDER GRANTING PARTIAL
SUMMARY JUDGMENT AND MOTION TO RECONSIDER BY JV, LLC**

Steven C. Wetzel
Susan P. Weeks
JAMES, VERNON & WEEKS, PA
1626 Lincoln Way
Coeur d'Alene, ID 83814

Fax (208) 664-1684

Gary A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

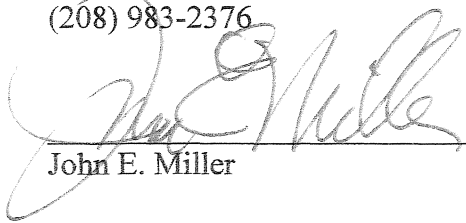
John A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

Rick L. Stacey
Meuleman Mollerup LLP
755 W. Front Street, Ste. 200
Boise, Idaho 83702

Fax (208) 336-9712

Chambers Copy to Judge Griffin
(208) 983-2376



John E. Miller

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO ALTER AND AMEND ORDER GRANTING PARTIAL
SUMMARY JUDGMENT AND MOTION TO RECONSIDER BY JV, LLC**

STATE OF IDAHO
COUNTY OF BONNER
FIRST JUDICIAL DISTRICT

2014 MAR 27 AM 11 15

CLERK OF DISTRICT COURT
DEPUTY

John E. Miller, Idaho State Bar No. 4676
The Law Office of John E. Miller
A Professional Corporation
1424 E. Sherman Avenue, Suite 500
Coeur d'Alene, ID 83814
Telephone: (208) 665-9464
Facsimile: (208) 665-9176
Email: jmillerlaw@frontier.com

Attorney for Plaintiff

DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT

STATE OF IDAHO, COUNTY OF BONNER

UNION BANK, N.A., a national banking
association

Plaintiff,

vs.

PEND OREILLE BONNER
DEVELOPMENT, LLC, a Nevada limited
liability company, et al

Defendants.

) CASE NO. CV-2011-0135

)
) **PLAINTIFF'S MEMORANDUM IN**
) **OPPOSITION TO MOTION TO COMPEL**
) **AND TO VACATE AND CONTINUE**
) **TRIAL BY JV, LLC; AND**

) **MOTION FOR PROTECTIVE ORDER**

) DATE: TBD

) TIME: TBD

) PLACE: COURTROOM OF
MICHAEL GRIFFIN

COMES NOW the plaintiff UNION BANK, N.A. (hereafter the "plaintiff" or "UB"), by
and through its attorney of record, John E. Miller of *The Law Office of John E. Miller, A*

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO COMPEL AND TO VACATE AND CONTINUE TRIAL BY JV, LLC; AND**

MOTION FOR PROTECTIVE ORDER

Professional Corporation, and respectfully submits its Memorandum in Opposition to Motion to Compel and to Vacate and Continue Trial by JV, LLC (herein "JV").

This Memorandum in Opposition and the accompanying Motion for Protective Order is supported and based upon the Court's records and files in this matter and the affidavit of counsel filed in support hereof, and will be further supported by oral argument that may be presented at the hearing of this matter.

The plaintiff does not object to the Court's consideration of JV, LLC's motions and this response/opposition following the currently scheduled March 26, 2014 at 9:00 am telephonic hearing related to attorney's fees and costs.

STATUS OF THE CASE

JV, LLC was the subject of this Court's summary adjudication and denial of reconsideration as of January 3, 2014. Plaintiff questions whether the instant motion by a party whose case has been disposed of should even be allowed to move for the relief sought. Notwithstanding the question, plaintiff will respond with its objection to any further continuance of the scheduled May 12, 2014 trial as this trial has been continued at least two previous times. This case has been pending for well over three years. A continuance of trial is not needed to allow inspection of the questioned Debt Restructure and Settlement Agreement (hereinafter the "Agreement"). The plaintiff will deliver to the Court, as directed by the Court, the entire Agreement with attachments for the Court to review for the purpose of determination of any

PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO COMPEL AND TO VACATE AND CONTINUE TRIAL BY JV, LLC; AND
MOTION FOR PROTECTIVE ORDER

relevance (or the possibility of leading to relevant other evidence) and if some relevance is found to make a determination related to plaintiff's motion for protective order. A suggested redacted version will also be delivered to the Court as approved by both the plaintiff and its customers/borrowers/guarantors.

MOTION FOR PROTECTIVE ORDER

The plaintiff moves this Court to consider an in camera review of the Agreement and determine whether all or any part of the Agreement is to be produced. If a production is ordered the plaintiff moves for issuance of a Protective Order in the following respects for the handling of the Agreement:

With respect to all such obtained Agreement or redacted versions thereof

- a. The parties to this litigation may not use or disclose the Agreement or redacted versions thereof for any purposes other than during this pending litigation as above identified.
- b. The parties to this litigation may disclose the Agreement or redacted versions thereof during the course of this litigation to retained expert witnesses, and as may be necessary to advise clients and/or their respective representatives, provided that counsel for the parties will advise their own experts, clients or other client representatives that they cannot use or disclose the Agreement or redacted versions thereof for any purpose other than this pending litigation; and that they may not disclose the Agreement or redacted versions thereof to any third party unrelated to these proceedings.

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO COMPEL AND TO VACATE AND CONTINUE TRIAL BY JV, LLC; AND
MOTION FOR PROTECTIVE ORDER**

- c. The parties to this litigation may utilize the Agreement or redacted versions thereof, which contain referenced third party financial information, for any purpose consistent with this litigation, as is permitted under the Idaho Rules of Evidence.
- d. Upon conclusion of this litigation, including any appellate practice, all copies of the Agreement or redacted versions thereof made by any receiving party or in said receiving party's possession or in the possession of such party's experts or representatives shall be delivered to plaintiff's attorney.
- e. The Court reserves ruling on the relevance or admissibility of any such Agreement or redacted versions thereof or testimony derived therefrom.

CONCLUSION:

For the foregoing reasons the Court is urged to deny the defendant's motion to continue the pending trial date, immediately undertake an in camera review of the Agreement and issue a protective order governing what, if any, portions of the Agreement will be delivered to the defendant for inspection together with the governing rules for the handling, use and return of the produced document at the conclusion of the matter .

Dated this 24th day of March 2014.

The Law Office of John E. Miller
A Professional Corporation

By: 

John E. Miller, Esq.
Attorney for Plaintiff

PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO COMPEL AND TO VACATE AND CONTINUE TRIAL BY JV, LLC; AND
MOTION FOR PROTECTIVE ORDER

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 24th day of March 2014, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

 mailed postage prepaid
 x Facsimile transmitted to
 hand delivered

Bruce Anderson
ELSAESSER JARZABEK ANDERSON
ELLIOTT & MACDONALD, CHTD
320 East Neider Ave., Suite 102
Coeur d'Alene, ID 83815

Fax (208) 667-2150

R. Wayne Sweeney
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Coeur d'Alene, ID 83814

Fax (208) 666-4111

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Gary A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
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Fax (208) 263-8211

PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO COMPEL AND TO VACATE AND CONTINUE TRIAL BY JV, LLC; AND
MOTION FOR PROTECTIVE ORDER

John A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

Rick L. Stacey
Meuleman Mollerup LLP
755 W. Front Street, Ste. 200
Boise, Idaho 83702

Fax (208) 336-9712

Chambers Copy to Judge Griffin
(208) 983-2376



John E. Miller

**PLAINTIFF'S MEMORANDUM IN OPPOSITION TO MOTION
TO COMPEL AND TO VACATE AND CONTINUE TRIAL BY JV, LLC; AND
MOTION FOR PROTECTIVE ORDER**

STATE OF IDAHO
COUNTY OF BONNER
FIRST JUDICIAL DIST.

2014 MAR 27 AM 11 15

CLERK OF DISTRICT COURT

John E. Miller – ISB #4676
The Law Office of John E. Miller
A Professional Corporation
1424 E. Sherman Avenue, Suite 500
Coeur d'Alene, ID 83814
Telephone: (208) 665-9464
Facsimile: (208) 665-9176

Attorney for Plaintiff

DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT

STATE OF IDAHO, COUNTY OF BONNER

UNION BANK, N.A., a national banking
association

Plaintiff,

vs.

PEND OREILLE BONNER
DEVELOPMENT, LLC, a Nevada limited
liability company, et al

Defendants.

CASE NO. CV-2011-0135

AFFIDAVIT OF JOHN E. MILLER IN
SUPPORT OF OPPOSITION TO JV, LLC'S
MOTIONS TO COMPEL AND CONTINUE
TRIAL; AND IN SUPPORT OF MOTION
FOR PROTECTIVE ORDER

DATE: TBD

TIME: TBD

PLACE: COURTROOM OF
MICHAEL GRIFFIN
GRANGEVILLE, ID

STATE OF IDAHO)
): ss
County of Kootenai)

John E. Miller, being first duly sworn upon oath, deposes and says:

AFFIDAVIT OF JOHN E. MILLER IN SUPPORT OF
OPPOSITION TO JV, LLC'S MOTIONS TO COMPEL
AND CONTINUE TRIAL; AND IN SUPPORT OF
MOTION FOR PROTECTIVE ORDER

1. I am the attorney for the Plaintiff, UNION BANK, N.A. (herein the "Bank"), in the above-entitled matter and make this Affidavit in support of Plaintiff's Opposition to JV, LLC's Motions to Compel and Continue Trial in this matter. I have personal knowledge of the facts set forth in this Affidavit, and if called upon to testify as a witness, I could and would competently testify to the facts set forth herein.

2. On December 20, 2013 at this Court's trial setting hearing, counsel for JV, LLC asserted that the defendant, JV, LLC was entitled to the production of what he termed a "secret agreement" between the Bank's predecessor in interest – Pacific Capital Bank, N.A. and the primary debtor in this case, Pend Oreille Bonner Development, LLC (hereinafter "POBD") together with its guarantors. This asserted entitlement was despite the fact that JV, LLC had never issued a formal production request. In response to Mr. Finney's insinuation that the Bank was attempting to hide something that could somehow defeat the Bank's senior mortgage on the subject real estate, I informed the Court and counsel that the (what I termed global settlement agreement) agreement was not relevant to the instant case but I could produce the document after obtaining it from the Bank AND getting the Bank's approval for the production. I told the Court and counsel at the hearing that I would get a response from the Bank within five (5) days and inform Mr. Finney of that response.¹ Because we were in

¹ Please refer to page 8 (the last page) of JVLLC's Supplement to the instant Motion filed March 20 where the prepared transcript of the Dec 20, 2013 hearing wherein I stated: "He doesn't need to make a motion. I'll talk with the Bank. I will let him know within five days

the holiday season and I knew that the handling officer was on vacation through the first week of January, discussions were had with Mr. Finney informing him of the delay. After the officer's return, I was informed by her that because of certain Financial Privacy legislative requirements the other multiple parties to what is now known to be titled Debt Restructure and Settlement Agreement (hereinafter the "Agreement") would have to be contacted to confirm with them if there were any objections to the production. I informed Mr. Finney of this concern verbally on more than one occasion during the first two weeks of January and that I was working diligently to get permission to produce the Agreement or a redacted version of it. A few weeks was needed to make contact with all of the other parties to the Agreement (or their respective attorneys). Finally, on February 18, 2014 I received the attached letter from Mr. Brad Chamberlain, a California attorney representing the guarantors of POBD. As noted therein, Mr. Chamberlain asserted that his clients indeed did assert their right to financial privacy and objected to the Bank voluntarily producing the Agreement. This information was passed on the Mr. Finney and Ms. Weeks (as shown by my email included in JV, LLC's motion) shortly thereafter. I informed Mr. Finney via my email that a request to the Court to compel production of the Agreement would be met by a motion for protective order or a judicial determination of how/if the Agreement will be produced. It

whether or not we will produce it without a motion." [this is also noted by the Clerk summarized the court exchange – at 11:15]

AFFIDAVIT OF JOHN E. MILLER IN SUPPORT OF
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AND CONTINUE TRIAL; AND IN SUPPORT OF
MOTION FOR PROTECTIVE ORDER

then took JV, LLC an additional three weeks to a month to file the instant motion seeking a delay in the trial and seeking the Court's help in gaining the production.

3. Further, in between the December 20, 2013 hearing and my obtaining a response from the Bank of other parties to the Agreement, this Court put an end to JV, LLC's defense / counter-action vis-à-vis the Bank by the Court's January 3, 2014 Order Denying Reconsideration of the Court's grant of summary judgment against JV, LLC. By virtue of that Order, the Court determined that JV, LLC's mortgage is junior to that of the Bank. It was well after that determination that Mr. Finney made his renewed verbal request for the desired production. I informed him again of the Bank's concern about financial privacy and that we were working through the concern. I also informed him that in my opinion the Court's denial of JV, LLC's reconsideration request put an end to JV, LLC's participation in the litigation, but that I would continue on my quest for permission from all parties to the Agreement to allow him (and Ms. Weeks for North Idaho Resorts, LLC who made an informal request also to see the Agreement at the 12.20/13 hearing) access to the Agreement or a redacted version thereof.

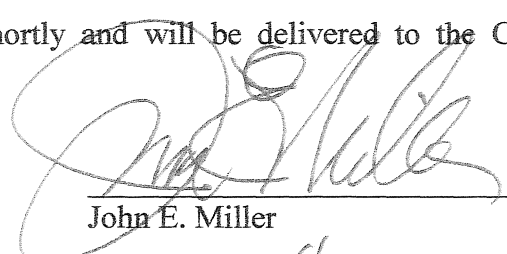
4. Contrary to what is asserted by Mr. Finney, I have never "refused" to deliver the Agreement for inspection. I have always informed Mr. Finney that I could not deliver it as I was constrained by the financial privacy objections being raised by the Bank's customers. I would like nothing more than to allow the inspection as I believe it will confirm

AFFIDAVIT OF JOHN E. MILLER IN SUPPORT OF
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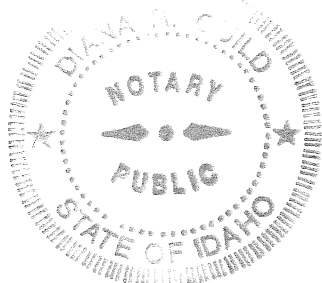
what I have represented to the Court and counsel, i.e. that this Agreement has no bearing on this action and that it bears no resemblance either in content or timing to the "secret" document described by Mr. Finney's arguments and conjecture in the pending motion.


5. Mr. Chamberlain, in his February 18 letter attached, has asked for a Court review of the Agreement and instruction on production/inspection of either the full Agreement or a redacted version of it. I have had further discussions with Mr. Chamberlain (the customer's attorney) following Mr. Finney's recent filings to confirm with him what redactions he will require of the Agreement. I doubt that I will have a response by March 26, 2014, the date of an unrelated motion before the Court, but I can and will request of the Court instructions on delivery of a sealed full copy of the Agreement and its attachments for an in camera inspection by the Court. It is anticipated that redaction suggestions from Mr. Chamberlain will be forthcoming shortly and will be delivered to the Court as soon as received.

FURTHER your affiant saith not.


John E. Miller

SUBSCRIBED AND SWORN to before me this 24th day of March 2014.




Notary Public for the State of California
Residing: Cosumnes Valley
My Commission Expires: 03-09-2019

AFFIDAVIT OF JOHN E. MILLER IN SUPPORT OF
OPPOSITION TO JV, LLC'S MOTIONS TO COMPEL
AND CONTINUE TRIAL; AND IN SUPPORT OF
MOTION FOR PROTECTIVE ORDER

CERTIFICATE OF SERVICE

I hereby certify that I caused the foregoing document to be:

 mailed postage prepaid
 X facsimile

to the following addresses on this 24th day of March 2014:

Bruce Anderson
ELSAESSER JARZABEK ANDERSON
ELLIOTT & MACDONALD, CHTD
320 East Neider Ave., Suite 102
Coeur d'Alene, ID 83815

Fax (208) 667-2150

R. Wayne Sweeney
Jonathon D. Hallin
LUKINS & ANNIS, P.S.
601 E. Front Ave., Suite 502
Coeur d'Alene, ID 83814

Fax (208) 666-4111

Steven C. Wetzel
Susan P. Weeks
JAMES, VERNON & WEEKS, PA
1626 Lincoln Way
Coeur d'Alene, ID 83814

Fax (208) 664-1684

Gary A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

///

AFFIDAVIT OF JOHN E. MILLER IN SUPPORT OF
OPPOSITION TO JV, LLC'S MOTIONS TO COMPEL
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John A. Finney
FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

Rick L. Stacey
Meuleman Mollerup LLP
755 W. Front Street, Ste. 200
Boise, Idaho 83702

Fax (208) 336-9712

Chambers Copy to Judge Griffin
(208) 983-2376



John E. Miller

AFFIDAVIT OF JOHN E. MILLER IN SUPPORT OF
OPPOSITION TO JV, LLC'S MOTIONS TO COMPEL
AND CONTINUE TRIAL; AND IN SUPPORT OF
MOTION FOR PROTECTIVE ORDER

John E. Miller – ISB #4676
The Law Office of John E. Miller
A Professional Corporation
1424 E. Sherman Avenue, Suite 500
Coeur d'Alene, ID 83814
Telephone: (208) 665-9464
Facsimile: (208) 665-9176

Attorney for Plaintiff

STATE OF IDAHO
COUNTY OF BONNER
FIRST JUDICIAL DISTRICT

2014 MAR 27 AM 11 15

CLERK OF DISTRICT COURT

DEPUTY

DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT

STATE OF IDAHO, COUNTY OF BONNER

UNION BANK, N.A., a national banking association	)	CASE NO. CV-2011-0135
)	
	)	ERRATA
Plaintiff,)	
	)	ATTACHMENT TO AFFIDAVIT OF JOHN
vs.	)	E. MILLER IN SUPPORT OF OPPOSITION
	)	TO JV, LLC'S MOTIONS TO COMPEL
PEND OREILLE BONNER	)	AND CONTINUE TRIAL; AND IN
DEVELOPMENT, LLC, a Nevada limited	)	SUPPORT OF MOTION FOR PROTECTIVE
liability company, et al	)	ORDER
)	
Defendants.	)	DATE: TBD
	)	TIME: TBD
	)	PLACE: COURTROOM OF
	)	MICHAEL GRIFFIN
	)	GRANGEVILLE, ID
)	

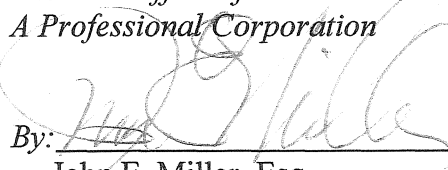
Counsel failed to attach the referenced February 18, 2014 letter from Mr. Brad
Chamberlain to the Affidavit filed in support of the Opposition to JV, LLC's Motions to

ERRATA
ATTACHMENT TO AFFIDAVIT OF JOHN E. MILLER
IN SUPPORT OF OPPOSITION TO JV, LLC'S MOTIONS TO COMPEL
AND CONTINUE TRIAL; AND IN SUPPORT OF
MOTION FOR PROTECTIVE ORDER

Compel and Continue Trial and in support of Protective Order. This Errata is filed with the omitted attachment.

Dated this 24 day of March 2014.

The Law Office of John E. Miller
A Professional Corporation

By: 
John E. Miller, Esq.
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that I caused the foregoing document to be:

 mailed postage prepaid
 facsimile

to the following addresses on this 24 day of March 2014:

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ERRATA
ATTACHMENT TO AFFIDAVIT OF JOHN E. MILLER
IN SUPPORT OF OPPOSITION TO JV, LLC'S MOTIONS TO COMPEL
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FINNEY FINNEY & FINNEY, P.A.
Attorneys at Law
Old Power House Building
120 East Lake Street, Suite 317
Sandpoint, ID 83864

Fax (208) 263-8211

John A. Finney
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Attorneys at Law
Old Power House Building
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John E. Miller

ERRATA
ATTACHMENT TO AFFIDAVIT OF JOHN E. MILLER
IN SUPPORT OF OPPOSITION TO JV, LLC'S MOTIONS TO COMPEL
AND CONTINUE TRIAL; AND IN SUPPORT OF
MOTION FOR PROTECTIVE ORDER

BRAD A. CHAMBERLAIN
ATTORNEY AT LAW

PHONE – (415) 830-6042

FAX (775) 201-1606

February 18, 2014

Via Email – Scanned PDF

John E. Miller
The Law Office of John E. Miller
A Professional Corporation
1424 Sherman Avenue, Suite 500
Coeur D'Alene, Idaho 83814

Re: Union Bank – Pend Oreille Bonner Loan Parties

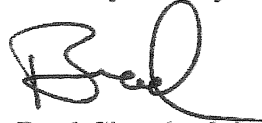
Dear John:

I have been authorized by my clients, the Guarantors under the Settlement Agreement with Union Bank (“Agreement”), to object to the production and disclosure in any form (redacted or otherwise) of the Agreement to which Union Bank and the Guarantors are parties to any other person, including any person or entity in which Richard Vilelli serves as an officer, director, employee, agent or other representative, in which Mr. Vilelli owns an interest (direct or indirect), or in which Mr. Vilelli is involved as party. The Settlement Agreement in question involves a resolution of matters unrelated to the current litigation in which your client has been requested to produce the Agreement and my clients are neither parties nor witnesses to the litigation.

In addition to my clients’ objection to the disclosure of any matter not directly related to the litigation in which your clients and Mr. Vilelli are currently engaged, Mr. Vilelli has made claims and demands against my clients unrelated to your pending litigation and those claims and demands are in various stages of response, negotiation and/or resolution. The Agreement contains numerous references to financial dealings and outside interests that are private and confidential, and even a heavily redacted version of the Agreement would cause those dealings and interests to be disclosed and made public contrary to the rights of my clients.

I therefore ask that you object to the requested disclosure and seek a protective order preventing disclosure in any manner. If the court is unwilling to grant a blanket protection order, we request that you seek a limited review by the court without disclosure to the requesting party for the purpose of determining those portions, if any, that are relevant to the litigation and which may be disclosed in a redacted version that does not disclose any information not relevant to your matter.

Thank you for your help,

A handwritten signature in black ink, appearing to read "Brad", with a stylized flourish extending from the end.

Brad Chamberlain

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF BONNER

UNION BANK, N.A., a national banking association,)	
Plaintiff-Respondent,)	
)	
v.)	
	)	Supreme Court 42467-2014
NORTH IDAHO RESORTS, LLC, an Idaho limited	)	Bonner County No. 2011-135
liability company)	
Defendant-Appellant,	)	CLERK'S CERTIFICATE FOR
	)	SUPPLEMENTAL CLERK'S RECORD
and)	
)	
PEND OREILLE BONNER DEVELOPMENT, LLC, a)	
Nevada limited liability company, JV, L.L.C. an Idaho)	
limited liability company, DAN JACOBSON, an)	
individual, SAGE HOLDINGS LLC, an Idaho limited)	
liability company, TIMBERLINE INVESTMENTS,)	
LLC, an Idaho limited liability company, STEVEN G.)	
LAZAR, an individual, AMY KORENGUT, an)	
individual, HLT REAL ESTATE LLC, PANHANDLE)	
STATE BANK, an Idaho corporation, R.E. LOANS,)	
LLC, a California limited liability company, WELLS)	
FARGO CAPITAL FINANCE, LLC, a Delaware)	
limited liability company, PEND OREILLE BONNER)	
DEVELOPMENT HOLDINGS, INC., a Nevada)	
corporation, PENSCO TRUST CO. custodian f/b/a)	
Barney Ng, a California corporation, B-K LIGHTING,)	
INC., a California corporation, FREDERICK J.)	
GRANT, an individual, CHRISTINE GRANT, an)	
individual, RUSS CAPITAL GROUP, LLC, an Arizona)	
Limited liability company, JOSEPH DUSSICH, an)	
individual, MOUNTAIN WEST BANK, an Idaho)	
corporation, STATE OF IDAHO, DEPARTMENT OF)	
REVENUE AND TAXATION, MONTAHENO)	
INVESTMENTS, LLC, a Nevada limited liability)	
company, TOYON INVESTMENTS, LLC, a Nevada)	
limited liability company, CHARLES W. REEVES and)	
ANNE B. REEVES, husband and wife, ACI)	
NORTHWEST, INC., an Idaho corporation, and DOES)	
1 through 20, inclusive,)	
Defendants.)	
)	
)	
)	
)	

CLERK'S CERTIFICATE

I, Michael W. Rosedale, Clerk of the District Court of the First Judicial District of the State of Idaho, in and for the County of Bonner, do certify that the foregoing Record in this cause was compiled and bound under my direction and is a true, correct and complete Record of the pleadings and documents requested by Appellant Rule 28.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said Court this 27th day of July, 2015.



MICHAEL W. ROSEDALE
Clerk of the District Court

Sarah H.
Deputy Clerk

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF BONNER

UNION BANK, N.A., a national banking association,
Plaintiff-Respondent,

v.

NORTH IDAHO RESORTS, LLC, an Idaho limited
liability company
Defendant-Appellant,

and

PEND OREILLE BONNER DEVELOPMENT, LLC, a
Nevada limited liability company, JV, L.L.C. an Idaho
limited liability company, DAN JACOBSON, an
individual, SAGE HOLDINGS LLC, an Idaho limited
liability company, TIMBERLINE INVESTMENTS,
LLC, an Idaho limited liability company, STEVEN G.
LAZAR, an individual, AMY KORENGUT, an
individual, HLT REAL ESTATE LLC, PANHANDLE
STATE BANK, an Idaho corporation, R.E. LOANS,
LLC, a California limited liability company, WELLS
FARGO CAPITAL FINANCE, LLC, a Delaware
limited liability company, PEND OREILLE BONNER
DEVELOPMENT HOLDINGS, INC., a Nevada
corporation, PENSICO TRUST CO. custodian f/b/a
Barney Ng, a California corporation, B-K LIGHTING,
INC., a California corporation, FREDERICK J.
GRANT, an individual, CHRISTINE GRANT, an
individual, RUSS CAPITAL GROUP, LLC, an Arizona
Limited liability company, JOSEPH DUSSICH, an
individual, MOUNTAIN WEST BANK, an Idaho
corporation, STATE OF IDAHO, DEPARTMENT OF
REVENUE AND TAXATION, MONTAHENO
INVESTMENTS, LLC, a Nevada limited liability
company, TOYON INVESTMENTS, LLC, a Nevada
limited liability company, CHARLES W. REEVES and
ANNE B. REEVES, husband and wife, ACI
NORTHWEST, INC., an Idaho corporation, and DOES
1 through 20, inclusive,
Defendants.

Supreme Court 42467-2014
Bonner County No. 2011-135

CLERK'S CERTIFICATE OF EXHIBITS FOR
SUPPLEMENTAL RECORD

IN THE SUPREME COURT OF THE STATE OF IDAHO

UNION BANK, N.A., a national banking)	
association,)	
Plaintiff-Respondent,)	
v.)	
	)	Supreme Court 42467-2014
NORTH IDAHO RESORTS, LLC, an Idaho	)	Bonner County No. 2011-135
limited liability company)	
Defendant-Appellant,	)	CLERK'S CERTIFICATE OF SERVICE FOR
and	)	SUPPLEMENTAL CLERK'S RECORD
)	
PEND OREILLE BONNER DEVELOPMENT,)	
LLC, a Nevada limited liability company, JV,)	
L.L.C. an Idaho limited liability company, DAN)	
JACOBSON, an individual, SAGE HOLDINGS)	
LLC, an Idaho limited liability company,)	
TIMBERLINE INVESTMENTS, LLC, an Idaho)	
limited liability company, STEVEN G. LAZAR,)	
an individual, AMY KORENGUT, an individual,)	
HLT REAL ESTATE LLC, PANHANDLE)	
STATE BANK, an Idaho corporation, R.E.)	
LOANS, LLC, a California limited liability)	
company, WELLS FARGO CAPITAL FINANCE,)	
LLC, a Delaware limited liability company, PEND)	
OREILLE BONNER DEVELOPMENT)	
HOLDINGS, INC., a Nevada corporation,)	
PENSCO TRUST CO. custodian f/b/a Barney Ng,)	
a California corporation, B-K LIGHTING, INC., a)	
California corporation, FREDERICK J. GRANT,)	
an individual, CHRISTINE GRANT, an)	
individual, RUSS CAPITAL GROUP, LLC, an)	
Arizona Limited liability company, JOSEPH)	
DUSSICH, an individual, MOUNTAIN WEST)	
BANK, an Idaho corporation, STATE OF IDAHO,)	
DEPARTMENT OF REVENUE AND)	
TAXATION, MONTAHENO INVESTMENTS,)	
LLC, a Nevada limited liability company, TOYON)	
INVESTMENTS, LLC, a Nevada limited liability)	
company, CHARLES W. REEVES and ANNE B.)	
REEVES, husband and wife, ACI NORTHWEST,)	
INC., an Idaho corporation, and DOES 1 through)	
20, inclusive,)	
Defendants.)	
)	

Certificate of Service 1

CLERK'S CERTIFICATE OF SERVICE

I, Michael W. Rosedale, Clerk of the District Court of the First Judicial District of the State of Idaho, in and for the County of Bonner, do hereby certify that I have personally served or mailed, by United Parcel Service, one copy of the CLERK'S RECORD to each of the Attorneys of Record in this cause as follows:

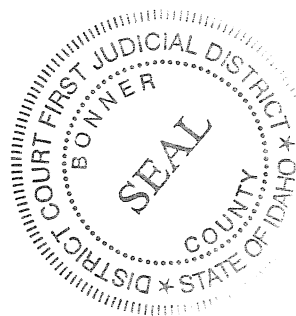
MS. SUSAN P. WEEKS
1626 LINCOLN WAY
COEUR D'ALENE, ID 83814
ATTORNEY FOR APPELLANT (North Idaho Resort)

MR. GARY A. FINNEY
120 E. LAKE STREET - SUITE 317
SANDPOINT, ID 83864
ATTORNEY FOR APPELLANT (JV LLC)

JOHN E. MILLER
1424 E. SHERMAN AVENUE - SUITE 500
COEUR D'ALENE, ID 83814
ATTORNEY FOR RESPONDENT

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said Court this 20th day of July, 2015.

Michael W. Rosedale
Clerk of the District Court



Barbara H.
Deputy Clerk